



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: April 18, 2016

Re: Setting a Public Hearing for the 2016 Renewable Energy Report

## Executive Summary

Staff has prepared for Council consideration a resolution setting a public hearing for May 2 for consideration and approval of the 2016 Renewable Energy Report. The renewable energy mandate passed by voters in 2004 and modified by council in 2014 requires that each year prior to February 1, Columbia Water & Light publicly release a report outlining compliance with the ordinance. This year's report provides details on the amount of renewable energy provided, descriptions of projects and the forecast for the 2016 portfolio. Staff reports that 6.82% of the energy for electric retail sales was provided by the 2015 renewable portfolio.

The 2016 Renewable Energy Report was publicly released on January 30, 2016. It has been reviewed by the Water & Light Advisory Board and the Energy & Environment Commission. Ordinance requires a public hearing and a vote to approve the report.

## Discussion

Columbia Water & Light has been pursuing renewable energy sources since the mandate was passed by voter approval in 2004. The following is a list of the renewable energy quantities for 2015:

- Bluegrass Ridge Wind - 1.09%
- Columbia Landfill Gas - 1.21%
- Municipal Power Plant Wood - .24%
- Jefferson City Landfill Gas - 2.01%
- Crystal Lake Wind - 2.18%
- Photovoltaic - .08%

Renewable Energy Total: 86,405 megawatt hours or 6.82%

It is estimated that in 2016 6.5% of Columbia's electric energy for retail sales will be provided by Columbia's renewable energy portfolio.

As outline in Section 27-106(b) of the Renewable Energy Standard ordinance, renewable energy cannot cause electric rates to increase more that 3% above what rates would be with non-renewable energy. Based on the methodology detailed in the Renewable Energy Report, current renewable energy resources have 42.8% of the allowed impact or 1.28%



impact on rates. In 2014 Staff contracted with a financial analyst to review and recommend a rate impact methodology for use in assessing the 3% rate impact limit, detailed in the ordinance. This recommended rate impact methodology was approved by the Water & Light Advisory Board at their December 3, 2014 meeting and used in this report to assess compliance with the 3% rate impact limit. As required by the Ordinance, the report has been review by the Water & Light Advisory Board and the Energy & Environment Commission. Their comments are included with this memo.

## Fiscal Impact

Short-Term Impact: NA

Long-Term Impact: NA

## Vision & Strategic Plan Impact

### Vision Impacts:

Environment

### Strategic Plan Impacts:

NA

### Comprehensive Plan Impacts:

Environmental Management

## Legislative History

Date	Action

## Suggested Council Action

Council to hold a public hearing for approval of the 2016 Renewable Energy Report.