



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: July 6, 2021

Re: Public Hearing for the 2021 Renewable Energy Plan

## Executive Summary

This is a Public Hearing for the 2021 Renewable Energy Plan. 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 Renewable Energy Plan outlining compliance with the ordinance. This year's plan details the amount of renewable energy provided, descriptions and forecasts of current and future projects and the projections for the 2021 renewable energy portfolio. Staff reports that 15.41% of all energy for 2020 electric retail usage was provided by the 2020 renewable portfolio, exceeding the goal of 15%.

The 2021 Renewable Energy Plan was publicly released January 29, 2021. It has been reviewed by the Water & Light Advisory Board and the Climate & Environment Commission. Ordinance requires a public hearing and a vote to approve the plan.

## 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 2020:

- Bluegrass Ridge Wind ----- .77%
- Crystal Lake Wind ----- 9.18%
- Columbia Landfill Gas ----- 1.32%
- Jefferson City Landfill Gas ----- 2.08%
- Photovoltaic ----- .34%
- Minnesota Wind Energy – Wind REC---- 1.71%

Renewable Energy Total: 179,780 megawatt hours or 15.41%

As outlined in Section 27-106(b) of the Renewable Energy Standard Ordinance, renewable energy cannot cause electric rates to increase more than 3% above what rates would be with non-renewable energy. Based on the methodology detailed in the Renewable Energy Plan, current renewable energy resources have 70.29% of the allowed impact or a 2.1% impact on rates.

As required by the Ordinance, the report has been reviewed by the Water & Light Advisory Board and the Climate & Environment Commission. Their comments are included with this memo.



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Information received from the Municipal Public Utility Alliance since the presentation of the Renewable Energy Plan to the Water and Light Advisory Board and Climate and Environment Commission suggests a delay in the delivery of Ironstar Wind from 2024 to 2025 as a result of ongoing legal action. Additionally, after reviewing the 2020 renewable and non-renewable energy numbers, staff updated the December 2020 cost and production quantities from Sikeston, which is the basis for non-renewable cost calculations.

The results of this change are as follows:

- The cost for renewables changed from \$2,213,152 to \$2,621,276.41 in the final report.
- The percentage of the allowed costs of renewables was raised from 59.34% to 70.29%
- The average cost per MWH for renewables dropped from \$36.51 to \$36.22
- The average cost per MWH for non-renewables dropped from \$25.86 to \$23.25

The accompanying Renewable Energy Plan has been updated to reflect these changes.

## Fiscal Impact

Short-Term Impact: NA

Long-Term Impact: NA

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
06/21/2021	R94-21 Setting a public hearing: consider the Water and Light 2021 Renewable Energy Plan.
11/02/2020	R141-20 Setting a public hearing; consider the Water and Light 2020 Renewable Energy Report
05/20/2019	R73-19 Setting a public hearing; consider the Water and Light 2019 Renewable Energy Report
05/07/2018	R65-18 Setting a public hearing; consider the Water and Light 2018 Renewable Energy Report
04/03/2017	R41-17 Setting a public hearing; consider the Water and Light 2017 Renewable Energy Report
04/18/2016	R41-16 Setting a public hearing; consider the Water and Light 2016 Renewable Energy Report

## Suggested Council Action

Accept the 2021 Renewable Energy Plan