



## Commission on Climate, Energy, and Sustainability

Thursday, June 27, 2024, 3:30 PM - 5:00 PM

Conference Room  
 City Council Ward 2  
 7820 E. Broadway Blvd.  
 Tucson, Arizona, 85710

### Meeting Minutes

#### 1) Call to Order

Meeting called to order at 3:35 by Chair Jim Sell

#### Present:

Adriana Bachmann	Representative, Ward 2
Jim Sell	Representative, Ward 6
Ojas Sanghi	Representative, Ward 3
John Eisele	Representative, City Manager, Environmental Organization Combating & Adapting to Climate Change
Garrett Weaver	Representative, City Manager

#### Staff Members & Guests:

Michael Catanzaro	Energy Manager, Environmental & General Services Department (EGSD)
Cody Hooven	Evolution Affairs, Invited to Present on Community Choice Energy
James Barrett	Raytheon Energy Coordinator
Steven Eddy	Tucson Electric Power

#### Absent:

Vanessa Gallego	Representative, Ward 1
Camila Martins-Bekat	Representative, City Manager, Tucson Electric Power

#### 2) Call to Audience

**Steven Eddy** - TEP, observing on behalf of Camila Martins-Bekat.

**James Barrett** - Came on the invitation of Garrett, took over as energy coordinator with Raytheon Technologies in Tucson Arizona 3 months prior. Works for business level.

#### 3) Approval of Minutes (April 25)

Motion to approve from Comm. Eisele. Seconded by Comm. Bachmann.

#### **4) Report from the Chair**

Chair Sell Reported on four vacancies, with Ward 4, 5, Manager's Office, and Mayor's Office.

City heat plan was passed on June 4th.

Nicole Antonopoulos, sustainability manager for the City of Flagstaff, has office staff of fourteen, and ten AmeriCorps volunteers. Tucson's resilience office has four. Fourteen in a city of 70,000 versus four in a city of 500,000.

HCR 2040 is dead. Senate has not passed it.

Wright School Rain Water harvest garden is done. Worked with 5th grade students on design and construction. Recognized Joaquin Murrietta and Luis Salgado, Brenda Encinas, her husband Renee, Aiden Iszler, Nicci Madsen, and Bob Kolt for their contributions in various areas for excavation and planting.

#### **5) Speaker: Cody Hooven, Community Choice Energy**

Cody Hooven talked about her background. She started working for the Port of San Diego where she developed the first climate action plan for a port in the US, which looked at diesel emissions and how to mitigate them. She then became San Diego's first Chief Sustainability Officer and passed an ambitious climate action plan that was business friendly and looked at ways to get to 100% renewable energy. Was told that's not possible but has now seen that conversation has changed. Now the conversation is about how to get there. One of the pathways to 100% renewables was community choice energy, which she spent considerable time getting established. She now works at her own firm, Evolution Affairs, which tries to help others who are passing or pushing city governments to think bigger on policy initiatives and find ways to move the ideas along.

Cody Hooven talked about what Community Choice Aggregation is.

It's really when the community and different local governments join together to pool or aggregate, hence the term aggregation, their electricity load and purchase energy or develop local projects and programs on behalf of the residents and businesses that they serve.

The way it works is the electricity procurement is shifted to the CCA. it's delivered still in partnership, and through the transmission and distribution lines, that are managed by your local investor utility and then delivered to the end users.

10% of the US is being served by CCA. 50% of ratepayers in California are being served by CCAs, increasing to 80% to 90% in the next 10 years.

Infusing competition increases customer service and brings decision making down to the local level. Whereas rates are typically set at the state level and at a fairly opaque process. Consumer choice is something that resonated with the business community because they said they have to compete, competing for electricity was really valued as a reason to move forward [with implementing Community Choice Aggregation].

CCAs are a great way to empower disadvantaged communities. Disadvantaged communities are suffering from the cost of living generally. Energy efficiency programs can be offered, cleaner energies can be built.

CCAs in California are building 11,000 Megawatts of new energy.

Regarding costs of establishing a CCA, In San Diego, the City did a feasibility study in 2016-2018. In 2020 had start up activities followed by a 2021 launch. This generated \$56m in excess revenue for the City of San Diego. They were not profits for a for-profit agency, but revenues that could be invested back in the community and they can be used to lower rates or can be used to create programs that could be used to expand the program, and it offered 100% renewable energy option to customers.

Feasibility study can help understand opportunities and challenges. When organizing a CCA, financing pre-work can cost \$200k-\$400k. Start up activities cost \$2-4m. Working capital at launch would be \$25 - 75 million.

Ms. Hoooven talked about risks and mitigations. Cities are conscious of their budgets, especially now. San Diego formed a Joint Powers Administration to handle its CCA, which provides protection from liabilities from the city's general fund. Risks include legislative and regulatory risks, undetermined costs, and price of energy resources. Mitigations include power portfolio managers, and establishing rate-stabilization funds.

CCA has proven to be successful everywhere it has formed.

Most CCEs partner with their local utilities. Usually the utility handles billing. CCA pays a service fee. Our utility in particular was happy to get rid of a lot of the procurement work because it's a pass through cost for them and that their profits come from transmission and distribution.

Jobs remain the same, or grow if it leads to creating new sources of power.

Before forming the CCA, tons of developers were chomping at the bit to provide solutions.

RTOs have lots of opportunities to develop. Traded commodity, dynamic market.

Chair Sell asked: with technology changing, how do you manage different technologies coming on line?

Still comply with regulatory compliance. Basics are solar, wind, gas. There are demand response approaches, that can bring down costs. There is a whole world of Distributed Energy Resources and software and demand response providers.

Question was asked: how did you enlist a community of five communities to get together? How was public engagement work? How was this marketed?

Big believer of community engagement. But you will never reach everyone. It needs a lot of outreach. Always accept opportunity to engage. Do that prior to taking a vote to move forward. Then use the loan

to do traditional marketing. California has requirements to send out mailers to every customer. CCAs are averaging 90% buy in.

Is there a critical mass?

CCAs work in an opt-in model. When a CCA forms, it is the default. Customers are automatically enrolled in a CCA, but they can opt out of the program.

Chair Sell proposed the idea of publishing a white paper.

## **6) Update on Plan Comparison**

Adriana Social Environment & Climate Leadership, working on comparing individual policies in TRT and PT.

Comm. Weaver talked about leveraging notion as an organization tool and realigning Plan Tucson and Tucson Resilient Together.

Comm. Sanghi Likes the idea of a report. Should decide on work output.

Comm. Weaver talked about building energy modeling with EnergyPlus

Comm. Sanghi has contact with a person on the Department of Energy Clean Energy to Communities program who can help the City of Tucson.

Comm. Eisele reported that he has not met with Comm. Martins-Bekat on EVs.

Chair Sell looked at sheltering people. Looked at examples of how to do resilience correctly, and resilience hubs. Five is not enough for the city. Feels shelters are out of date, not well adapted designs.

Commissioners had a discussion of how best to support Tucson Resilient Together. Comm. Eisele proposed having Fatima Luna come to the next meeting to ask her how CCES can help.

There was a discussion of commissioner appointments. Comm. Sanghi proposed spending July getting new commissioners.

Chair Sell stated that the commission will not meet in July.

## **7) Committee Reports - Outreach**

Community Engagement and Outreach Committee

Comm. Bachman is working with community members on Latino Conversation Week, September 21st.

Chair Sell and Comm. Weaver worked on a HCR 2040 letter.

Comm. Bachman reported that the committee is working on reviewing models of engagement in other cities.

**8) Energy Manager Report - Skip**

**9) Climate Resilience Report - Skip**

**10) Call to Audience**

Steven Eddy spoke. No comments. Camila passes along regrets. Appreciated presentation from Cody Hooven. Reported that other utilities are offering an alternative view point.

**11) Future Agenda items**

Comm. Sanghi proposed making the meeting two hours next time.

**12) Adjournment**

Chair Sell adjourned the meeting at 5:00pm