

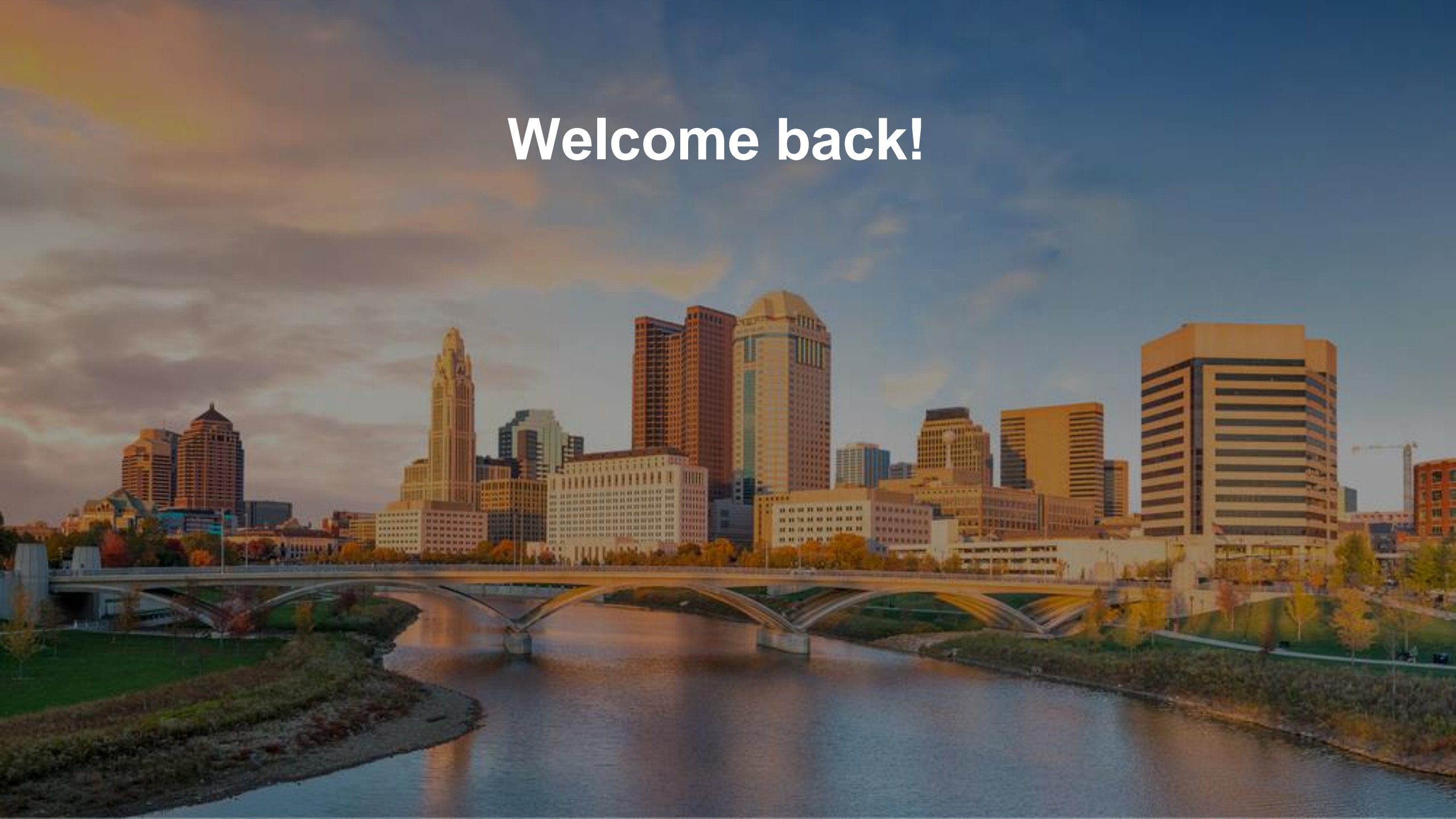


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COLUMBUS**
ANDREW J. GINTHER, MAYOR

CCA Advisory Group Meeting #6

February 18, 2021

Welcome back!



A few Zoom reminders for today

Advisory Group Members:

- **Please mute** when not speaking
- Please *also* **use the chat function to react**, ask questions, and comment!
- Please **rename yourself with name and org** by right clicking on the 3 dots on your image
- **Please note**: this meeting is being recorded and will be shared publicly

Members of the public observing today: Welcome! Please ask questions at any time and we will address these at specific points during the meeting.

Today we plan to reconnect, share updates, and discuss the plan to design CCA-funded programming

- Introduce office changes
- Provide updates on steps to establish the CCA
- Briefly refresh what we discussed and heard from you last December
- Share scoping updates for CCA programming
- Get advisory group reaction and feedback



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Introduce sustainability office changes

With the City's sustainability goals becoming ever more ambitious,
Bryan Clark will take on a larger role with this work.

Welcome, Bryan!



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Updates on steps to establish the CCA

How will we achieve our goals?

Status of PUCO filing request

- **PUCO issued the certificate** specifying the service the city applied for
- With the certification, **we're able to get more granular data** allowing us to manage a more targeted energy efficiency program
- **Certification is good for two years** and expires January 2023

 **Ohio** Public Utilities Commission
M. Beth Trombold, Acting Chair

Commissioners
Lawrence K. Friedeman
Dennis P. Deters
Daniel R. Conway

Competitive Retail Electric Service Provider Certificate

Certified Entity:
City of Columbus

90 West Broad Street
Columbus, OH 43215

Certificate Number: 21-051273E

Effective Date: January 01, 2021 Expiration Date: January 01, 2023

Issued Pursuant to Case Number(s):
20-1754-EL-GAG

The above referenced entity is hereby certified to provide competitive retail electric Governmental Aggregator services within the State of Ohio.

The certification of competitive retail electric service providers is governed by Chapters 4901:1-24 and 4901:1-21 of the Ohio Administrative Code, and Section 4928.08 of the Ohio Revised Code. This Certificate is revocable if all of the conditions set forth in the aforementioned case(s) are not met.

The certified entity is subject to all rules and regulations of the Public Utilities Commission of Ohio now existing or hereafter promulgated.

Witness the seal of the Commission affixed at Columbus, Ohio.

Dated: 01 day of January, 2021.

 By Order of
The Public Utilities Commission of Ohio
Tanowa M. Troupe
Tanowa M. Troupe, Secretary
Debbie Ryan, Acting Secretary
Donielle M. Hunter, Acting Secretary
Susan Patterson, Acting Secretary

180 East Broad Street
Columbus, Ohio 43215-3793 (614) 466-3016
www.PUCO.ohio.gov

An equal opportunity employer and service provider

Reminder: We will transition quickly to 100% local renewable energy, with a “bridge” phase

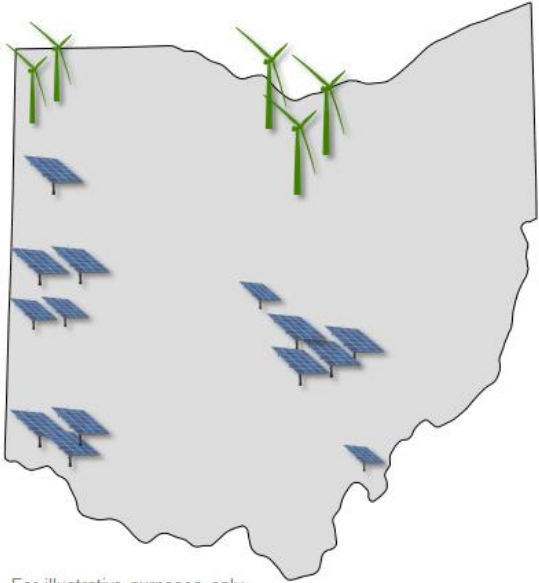
BRIDGE PHASE
(RECs)

New Ohio solar and wind projects begin to come online

LOCAL PROJECT GENERATION PHASE
CCA sourced by new wind & solar generation in Ohio



Building **new wind and solar generation in Ohio takes time**, especially to produce enough electricity to meet demand in Columbus. **RECs form a bridge** from today's grid mix to local renewables in 2023



Approximate locations of existing or potential AEP renewable installations under contract

For illustrative purposes only

We are negotiating our Master Services Agreement with AEP Energy

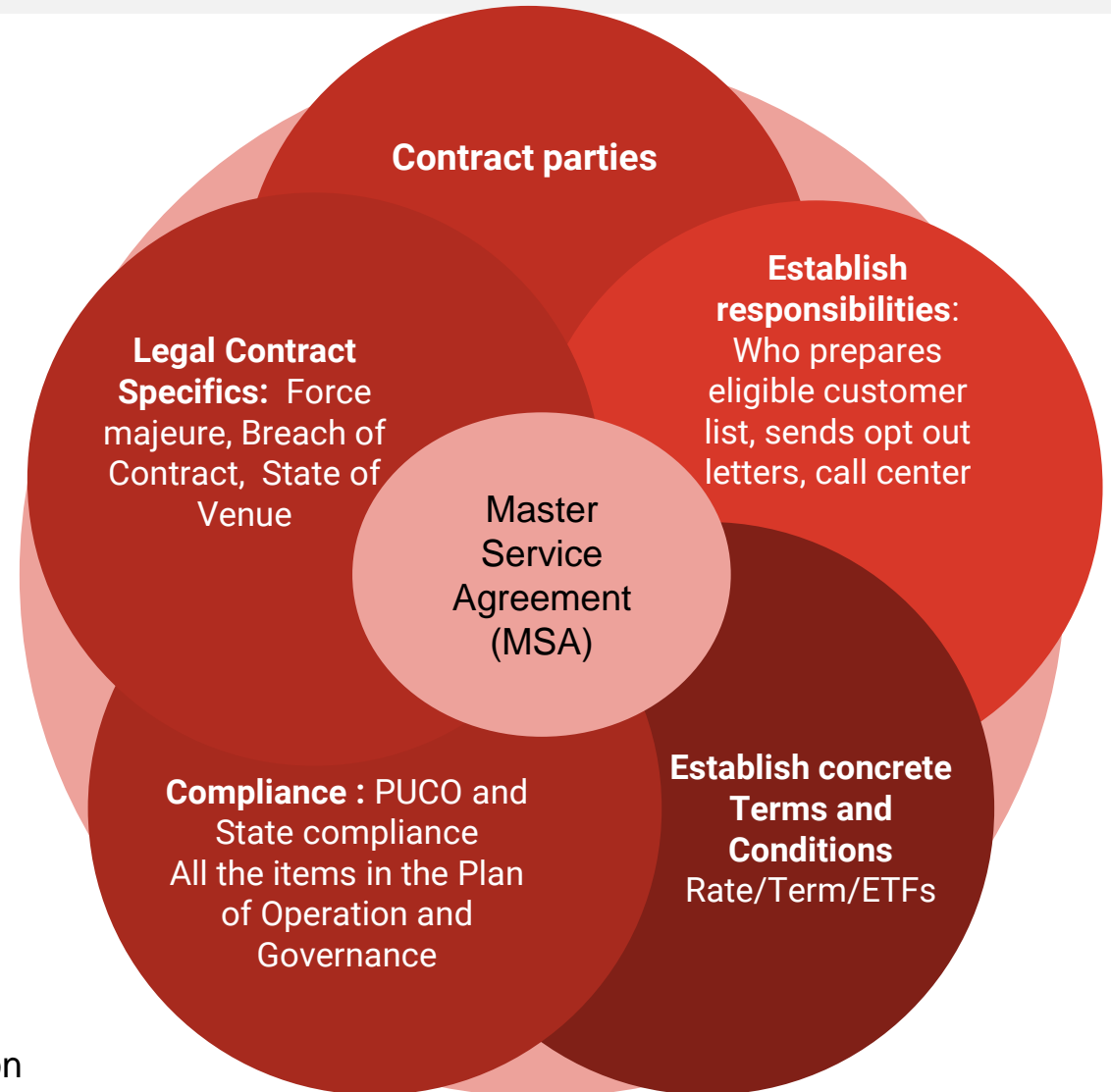
MSA terms* are expected to cover the following:

1. One year bridge (REC period)
2. Two year bridge (REC / IRE Hybrid)
3. Ten year IRE product

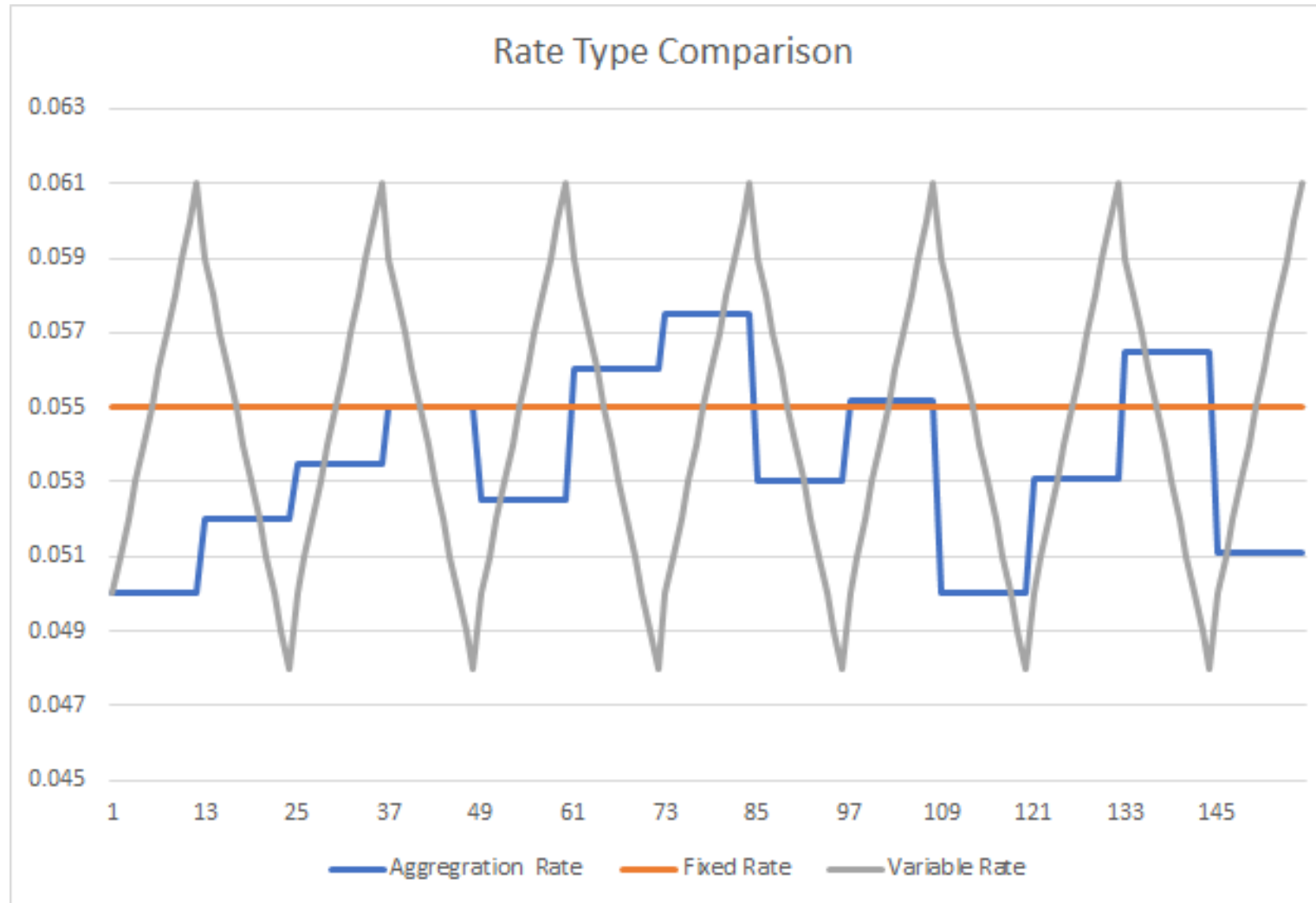
Highlights and important notes:

- Variable rate contract: PUCO requires that it's called "variable", but it is actually a 13 one year fixed rate.
- Prior to the annual rate change, the City gets to weigh in on the rate setting process, but this is not automatic.
- Includes provisions for the hiring of new employees
- REC's will come from a number of sources both National and regional (Ohio) with preference
- PPAs are in the name of AEPEP (AEP Energy Partners)

*All terms currently under negotiation, with public hearing prior to finalization



Variable Rate vs Fixed vs Hybrid



Budget billing

Consolidated billing will be:

- Provided directly to Customers by the Electric distribution utility (EDU) based upon the EDU's meter read and billing cycle for Customers
- Contain both EDU and AEP Energy charges

AEP Energy will offer budget billing to residential Customers consistent with the terms, conditions, and calculation of the EDU's budget billing for the same residential Customers; provided, however, that AEP Energy reserves the right not to make budget billing available to Net Metering Customers.

Timeline

| Q1 2021 | Q2 2021 | Q3 2021 - beyond |
|--|--|---|
| <p>Jan./Feb.: Master Supply Agreement (MSA) negotiations</p> <p>Advisory Group Meeting</p> <p>March/April: -Master Supply Agreement (MSA) approved by City -Aggregation program stand-up -Advisory Group Meeting</p> | <p>May: - Advisory Group Meeting -Opt-Out Letters -21 Days to review & opt-out</p> <p>June: -Aggregation program begins!</p> | <p>July: Customers receive first electric bill with aggregation program</p> <p>Future: -Renewable projects come online -Aggregation-supported community programs launch</p> |

Temperature Check

- **What questions do you have at this point?**



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Recap of what we discussed and what we heard from you last fall

Last fall, we heard a few key messages from you around CCA-funded programs

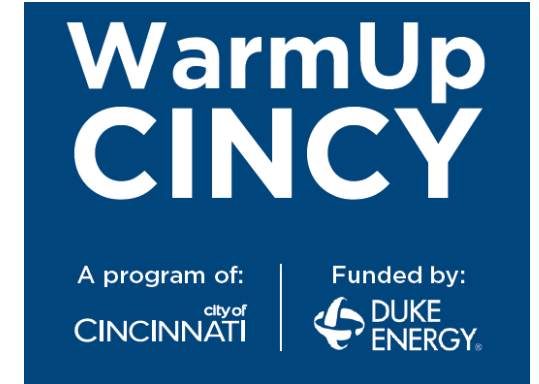
- There is a strong interest in **energy efficiency** across the board, including **residential, low-income, multi-family**, or **small business** settings.
- Stakeholders have also expressed interest in **green banks, bonding, or other strategies** to help funding for any purpose go farther.

Top recommendations for residential and organization or business-focused programs:

- **Implementation support for audit recommendations - residential**
- **Energy efficiency in multi-family housing**
- **DIY energy efficiency toolkits**
- **Implementation support for audit recommendations - organizations or businesses**

In December, we explored lessons from peer cities' Energy Efficiency programs

- We conducted outreach to learn from peer cities:
 - **Cincinnati**: Learned about **WarmUp Cincy** - low income energy efficiency retrofit program
 - **Minneapolis**: Learned about use of their utility franchise fee for their **Home Energy Squad program**.
 - Other city programs to be explored include: Chicago, San Jose, and St. Paul
- We are exploring internally the potential for bonding or financing strategies to make available funding go farther.
- The American Cities Climate Challenge and partners are now supporting these scoping efforts.





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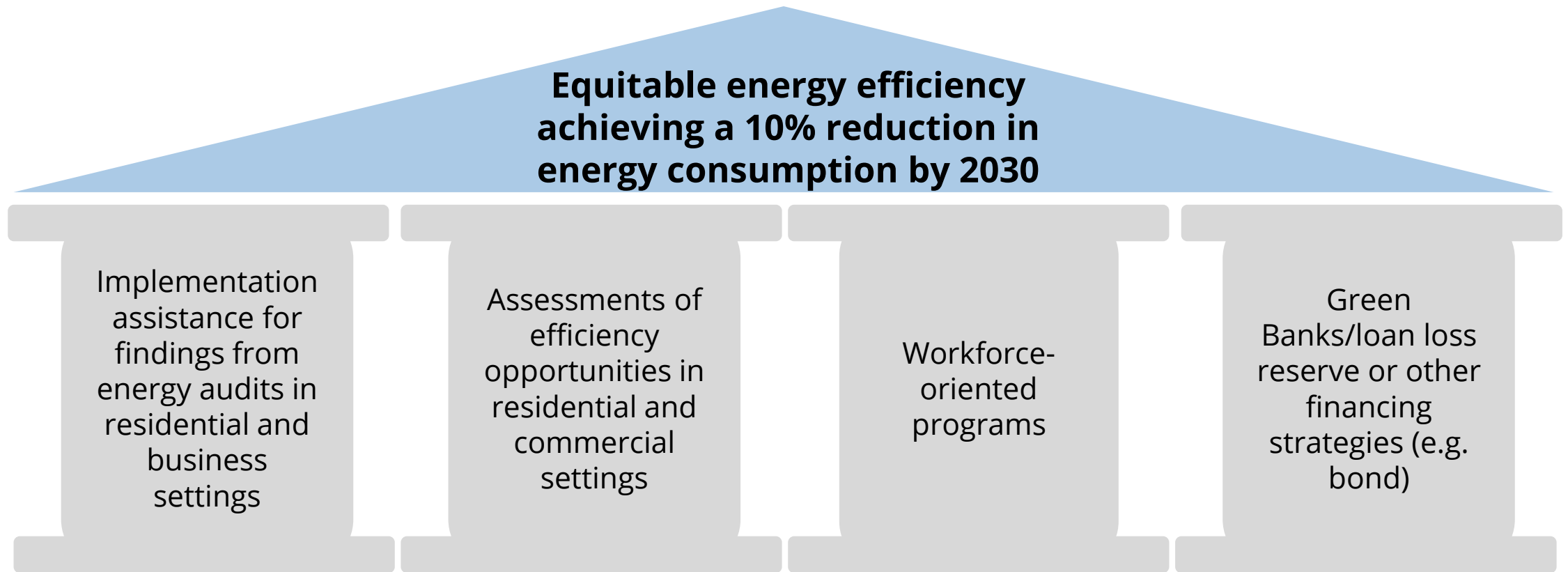
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Sharing scoping updates for CCA programming

Columbus' goals

- **To support city Climate Action Plan** goal of reducing residential energy consumption 10% by 2030
- **To support low-income homes** to make needed retrofits
 - This likely means prioritizing outreach to high-energy-burden areas
 - Still, we would want to allow for citywide availability
- **To include a workforce development** component in eventual programming

Framework: What supports our goal?



Within these areas, we see the near-term opportunity to build one of these programs

With partners, we're answering key questions around the following 4 ideas you prioritized in our last meetings

A Implementation assistance for findings from residential & business energy audits

B Assessments of efficiency opportunities in residential and commercial settings

C Workforce-oriented programs

D Green Banks/loan loss reserve or other financing strategies (e.g. bond)

E Renewable energy opportunities in residential settings (e.g. Solarize programs)

F Incentives to reduce energy use in peak periods

A

Implementation Assistance for Findings from Energy Audits

Key questions we're answering

- **What type of incentives should be offered** for what types of implementation?
- **How many households and what types of upgrades** in those households need to be made each year to achieve EE goals?
- **How do we leverage funding/financing/and existing programs** to reach more households?
- **How much would it cost?**

B

Assessments of efficiency opportunities in residential and commercial settings

Key questions we're answering

- **What audits are most cost effective** to get the basic information needed to move forward with improvements?
- Can volunteers or university students be **trained to provide basic assessments**?
- **What role could existing providers play?** (E.g. MORPC/IMPACT)
- **How much would it cost?**

C

Workforce-oriented programs

Key questions we're answering

- **What types of jobs** - and how many of them - would the programs support? (depending in part on what other program(s) are selected)
- **Where should we focus?** On youth, communities of color, reentry, or other target groups?
- **How much of this is economic development** and business recruitment (where Dept. of Development and One Columbus are best positioned to help)?
- **Who in Columbus is best positioned** to offer these programs?

D

Green Banks/loan loss reserve or other financing strategies (e.g. bond)

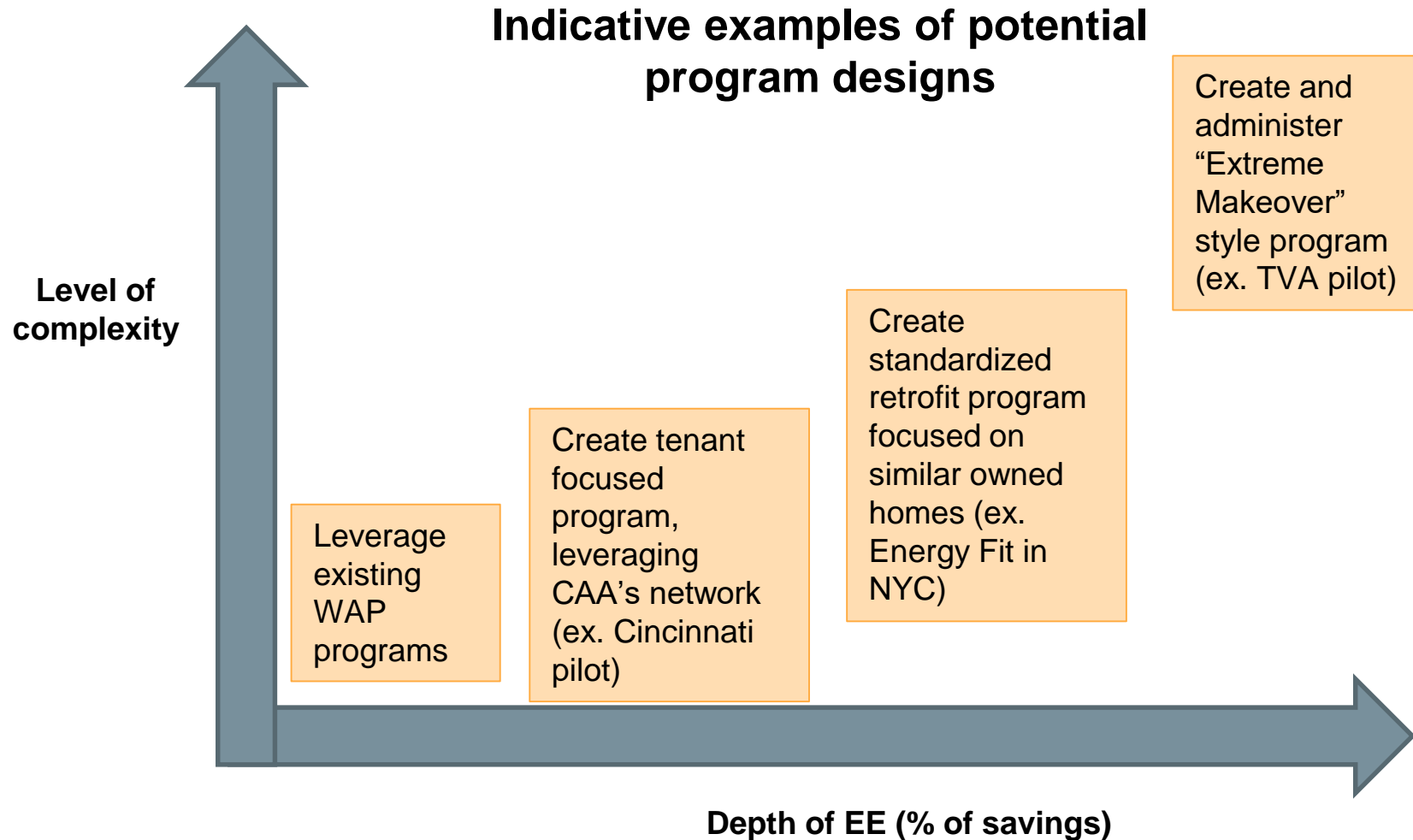
Key questions we're answering

- What are the various **funding/financing options**?
- **What are the tradeoffs** of the various options?
- **Should we be open in the intended recipients** of funding/financing?
- **Should we seek layering/matching donations** to the fund so that other commercial customers be allowed to finance/fund projects through this program?
- Should **other financial institutions** be involved?

That was a lot!

Take 5 minutes and add any reactions in the link provided in the chat

Many options for a low income EE program design are possible but trade-offs exist



Our process for developing a program design by June with our partners

February / March

April

May

Can occur concurrently

Data gathering

Stakeholder discussions

Proposed program development

Refined program design and plan

Housing stock assessment:

- SF/MFB
- Own vs. rent
- % of homes in good repair
- Level of similarity
- Efficiency potential?
- Estimated cost to achieve 10% savings?

Outreach to key stakeholders

- Successful LMI EE programs?
- Potential partners?
- Workforce linkages?
- Additional funding streams to work with?

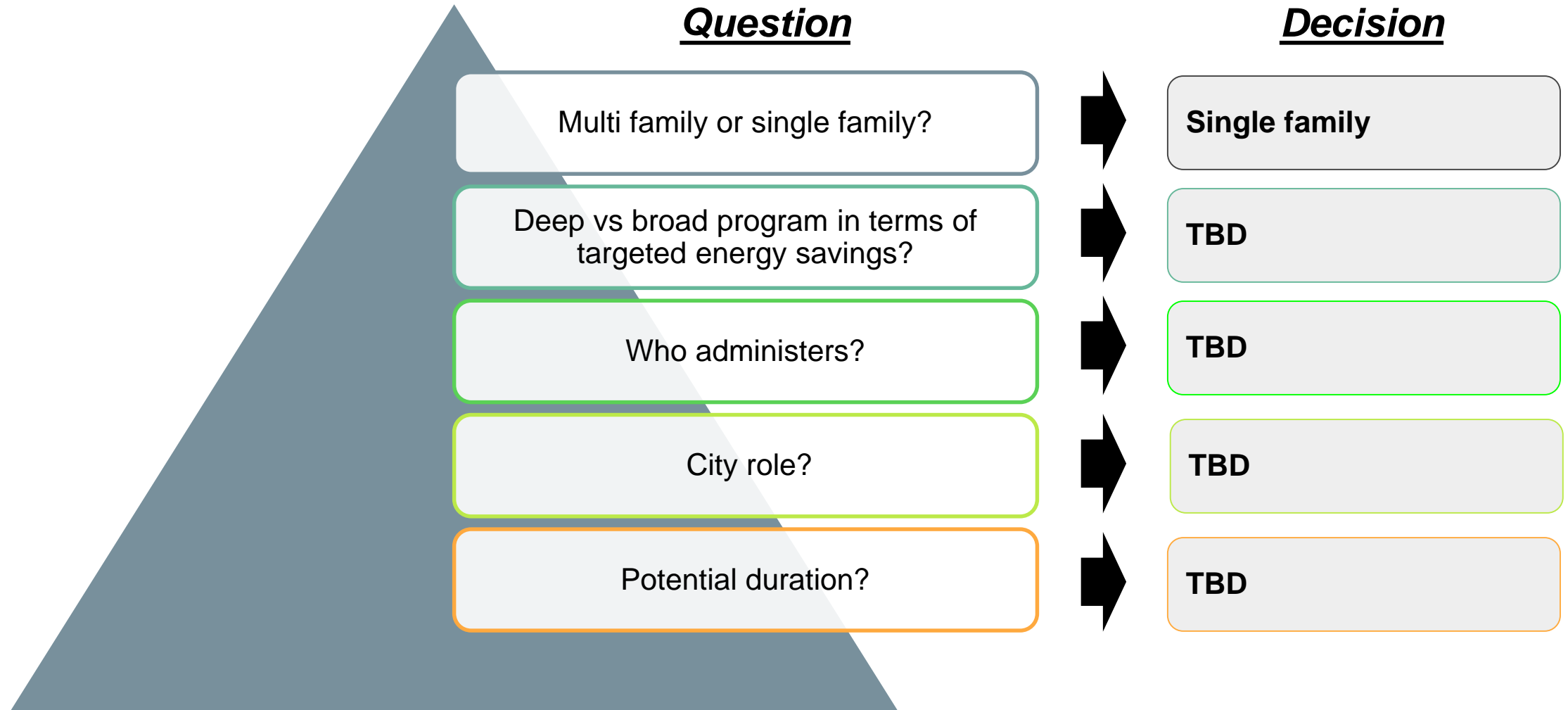
Develop 2-3 potential program design concepts

- Quantitative analysis
- Pros/cons
- Validate and discuss with key stakeholders and potential implementation partners

Develop final program design and scope planning

- Integrate feedback from discussions
- Develop budget and implementation plan
- Identify key milestones

Several key program design parameters have to be determined



Exploring linkages with other programs

- We're meeting with the following groups by the end of March to answer remaining questions and refine initial program design
 - IMPACT/MORPC/Ground Level Solutions
 - Honeywell
 - Columbia Gas/Warm Choice
 - AEP Ohio
 - Columbus Buildings Department / Other internal departments
 - Greenlink Analytics



Are we missing anyone?



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Get advisory group reaction and feedback

Discussion

- Is there **anything you would like to share** about any of the program types we have discussed?
- **How do you hope to remain involved** as we continue EE program design

Reminder: Timeline and next steps

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Our next meetings together

Meeting #1: Introductions and Aggregation 101 - September 10

Meeting #2: Aggregation in Action - Overview of Governance and Operation - September 24

Meeting #3: Columbus' Renewable Energy Future - October 8

Meeting #4: Community Priorities and Sustainability Goals - October 22

Meeting #5: Year end wrap-up and next steps after ballot initiative passage - December 11

Meeting #6: Initial scoping questions for programming - February 18 (today)

Meeting #7: Closing in on design for programming - April

Meeting #8: Wrap up and CCA launch - May/June

THANK YOU!