



Regional Renewable Energy Advisory Council (RREAC)

MEETING NOTES, APRIL 11, 2017

Mayor

Oscar Leiser

City Council

District 1

Peter Svarzbein

District 2

Jim Tolbert

District 3

Emma Acosta

District 4

Carl L. Robinson

District 5

Dr. Michiel R. Noe

District 6

Claudia Ordaz

District 7

Lily Limón

District 8

Cortney C. Niland

City Manager

Tommy Gonzalez

Attendance

Name	District	Position	Present
Frederic Dalbin	Mayor	Member	Not present
Ernest Eisenberg	1	Member	Not present
Crystal Arrieta	2	Member	x
Shelby Diego Ruff	3	Vice Chair	x
Blanca Gadney-Moss	4	Member	x
Jonathan Childress	5	Member	x
Fareed Issa Klayel	6	Member	x
Xavier Miranda	7	Chair	x
Patrick Schaefer	8	Member	x
Eddie Gutierrez	N/A	El Paso Electric (EPE) Technical Advisor	x

1. MEETING CALLED TO ORDER WITH QUORUM AT 6:03 PM

a. Members present (as noted above)

b. Request to excuse absent members

- Request to excuse absent members (Ernest Eisenberg (excused) and Fred Dalbin (excused))
- Motion passes

c. Approval of minutes from 03/14/2017 meeting

- Minutes approved

2. GOAL 8 ALIGNMENT: NURTURE AND PROMOTE A HEALTHY, SUSTAINABLE COMMUNITY

4.1 Presentation on the energy sector in our region, with a focus on the potential for renewable energy (Patrick Schaefer, Hunt Institute for Global Competitiveness)

- 4.1.1 Regional Energy Markets of the Paso del Norte Region - the presentation follows the format of the report (available online at <http://www.elpasotexas.gov/ors/RREAC>).
- 4.1.2 Binational concerns and trade agreements that transformed activity in Mexico has affected the presence of natural gas pipelines in the Paso del Norte region. It is challenge and opportunity we should remember.
- 4.1.3 State infrastructure crosses state and national boundaries.
 - 4.1.3.1 These maps show how crude oil comes from eastern Texas to Western Refining and is refined and then sent to eastern markets. Gas markets in our region are serviced by Western Refining. Cd. Juarez and other markets in Mexico rely on these sources.
- 4.1.4 The map of energy consumption shows existing pipelines and those that are currently being built. There has been an increase in natural gas pipeline construction in Northern Mexico.
- 4.1.5 El Paso is in the crosshairs of binational infrastructure in general
- 4.1.6 Binational regional map of renewable energy assets in our region
 - 4.1.6.1 There is a surplus of solar in our region (high insolation rate). Geothermal resources have been under pressure recently.



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4.1.6.2 El Paso is strategically positioned to take advantage of trade and political relationships (in terms of fuel and energy)

4.1.6.3 If we want to advance our economic development, how do we create economies of scale?

4.1.7 This region is at the sweet spot of all of the four grids

4.1.8 There is a tremendous amount of renewable energy potential but we do not have the markets here to support it.

4.1.8.1 How do we build the infrastructure to get it to potential markets?

4.1.9 Rates – Cd. Juarez has expensive industrial rates because industrial rates are used to subsidize residential rates. They are currently trying to lower the cost of industrial city to be more competitive.

4.1.10 Mexico has created a market for electricity prices for large scale consumers. They have been moving to that free market availability and exchange of production of electricity.

4.1.10.1 CFE and PEMEX now have to compete in the private industry.

4.1.11 **Lauren Baldwin, City of El Paso Staff** – Based on the information you presented and what is available in this energy sector report, what do you think would be important to consider or include for the Urban Energy Plan that RREAC is proposing?

4.1.11.1 It's important to remember that we have all of these renewable energy sources but they are geographically trapped. Where is all that solar energy going to go? Also, Juarez is a tremendous load... what does that mean for us as a utility and region for Juarez being a market... the market is open to competition at this point. With this potential, the City and UTEP can think creatively to create jobs that conserve our water and energy... what energy sources can we rely on and generate so we have those to rely on? What can we develop regionally that we can export and provide added value? (Patrick Schaefer, Member)

4.2 Discussion and update on submission of SolSmart application

4.2.1 **Lauren Baldwin, City of El Paso Staff** – We are right at the two-week point after submission, so I will send them an email tomorrow to check on the status. Overall, we submitted a total of 290 points on the application, which, if we receive all of those points, would set us up to be designated as Gold.

4.2.1.1 Since the Office of Resilience and Sustainability is being restructured, who will keep us updated about the SolSmart Application? (Blanca Gadney-Moss, Member)

4.2.1.2 Economic Development will be the lead on SolSmart and Aimee Olivas will be available to assist while Nicole and I are on leave (Lauren Baldwin, City of El Paso Staff)

4.3 Discussion on the development of the Urban Energy Plan

4.3.1 Updates from subgroup leads (Fareed Issa Klayel, Jonathan Childress,



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and Blanca Gadney-Moss, Members)

4.3.2 **Lauren Baldwin, City of El Paso Staff** – The goal is to have an outline for each section of the Urban Energy Plan.

4.3.3 **Blanca Gadney-Moss, Member** – For the Policy section, I started to develop the definition between stakeholder and investor. A stakeholder is interested in overall functioning and success of the system and is looking to invest on the system rather than take the money out--that would be the investor. The difference is needing financial trust. Stakeholders need to trust that their position in the community will be supported and protected. In the renewable energy sectors, we need to look at the stakeholders that come to community and reinvest in our community and help our economy grow. As a start, we have homeowners. UTEP and EPCC, who are the foundation for educating our workforce, and I would consider as stakeholders in the community.

4.3.3.1 Based on your knowledge, what are NGOs doing? How involved are they in this process? (Fareed Issa Klayel, Member)

4.3.3.2 They are providing input. Eco El Paso encourages the conversation to bring in companies and talk to those already in the region. As a city we can provide more contact, not sure what others are doing but they need to be involved (Shelby Ruff, Vice Chair).

4.3.3.3 We need to pass along this information to them. How do we tell the ADPs how much they will use and pay for energy if they want to come here? (Fareed Issa Klayel, Member)

4.3.3.4 It comes through Economic Development and El Paso Electric provides the analysis of the build out (Eduardo Gutierrez, El Paso Electric)

4.4 **Xavier Miranda, Chair** – Could we have someone from the City Manager's office come to the RREAC meetings for periodic updates regarding SolSmart? We'd also like to have them come and speak about how the Resilience Strategy is being integrated into the Strategic Plan.

4.5 **Eduardo Gutierrez, El Paso Electric** - Utilities around TX get more information from smart meters and let owners know. If you want to better understand the value of solar (rooftop solar) we need to understand the information on the meters. It is the aging part of the meters. We need smart meters to get the information. It will help us understand the architecture of the grids and how the grids work. In Austin, the value of solar and tariff goes hand-in-hand with architecture. We're looking for real time tracking.

4.5.1 The rate case needs to be solved first—we want to promote more solar on more houses. In order to have solar we need a competitive market (Shelby Ruff, Co-Chair).

4.5.2 We can talk about smart meters only when we have open market. Unless we have an open market, then it doesn't make sense to invest in it. We have to look at how we create the policy and the language that protects the stakeholders and renewable energy by being absorbed by a non-



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competitive monopoly. Opening up the market is opening up the grid. It is about the little steps of how we get there (Blanca Gadney-Moss, Member).

- 4.6 **Patrick Schaefer, Member** - To create economies of scale, we need to become governors of these markets. We have the opportunity in the region to align educational institutions with business interests and advance renewable energy.
- 4.7 **Jonathan Childress, Member** - The International Space University started with a small pilot program that starts with a summer curriculum at MIT then moves to a broader reaching scope. We could establish our own university and establish our own space station for graduate students, then if we could attract partners looking to invest in renewable energy we could set up cross-functional pilot programs. There is a need for a certification governing body that can help provide accreditations for students in these high-tech fields.
- 4.8 **Blanca Gadney-Moss, Member** – The education about our energy sector should start with our City Council. Maybe we can put together some basics to present to City Council.
- 4.8.1 The Metropolitan Planning Organization (MPO) requires continuing education each year for their board members. This might be something we could consider. I will look into the process and see if we this is something we can request or implement (Lauren Baldwin, City of El Paso Staff).
- 4.8.2 We can request local companies (Solar City, Border Solar, etc.) to provide trainings (Shelby Ruff, Vice Chair).
- 4.8.3 NMSU offers week-long courses, and typically utility personal, commission staff and solar companies attend to receive a robust orientation of the regulatory principles of energy markets alongside substantive coursework (more information available here: <https://business.nmsu.edu/research/centers/cpu/courses/>). This is a good model that we might be able to use (Eduardo Gutierrez, El Paso Electric).
- 4.9 **Jonathan Childress, Member** - With an educated workforce and the right amount of incentives you can get manufacturing to set up shop here.
- 4.10 **Fareed Issa Klayel, Member**– I would recommend having someone from Fort Bliss be a permanent RREAC member in the future.
- 4.11 **Lauren Baldwin, City of El Paso Staff** –Thank you for the outline updates. I will set up a Google Doc for the group to allow us to start to make changes to the Urban Energy Plan outline.
- 4.12 **Public comment:**
- 4.13 **Ray Rapisand, Public:** We have a huge potential for solar in our region--the struggle is harnessing it. Where the wind is, the load is. We have an abundance of this resource and we could tap into something that benefits the region. What kind of energy do we want to try to make and better utilize in town? How do we lower energy costs generally? California is over-generating 8,000 MW of energy. Texas has a lot of renewable energy potential but we are isolated (to see the entire public comment, please visit <http://www.elpasotexas.gov/videos> and click the "Other" dropdown and



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select RREAC from 4/11/17).

4.4 Discussion on RREAC meeting schedule

- 4.4.1 **Jonathan Childress, Member** – I'd like us to consider meeting every other month. Since have subgroups now, we'll need time to develop this outline.
- 4.4.2 I was actually going to propose we meet every three weeks because of the rate case (Xavier Miranda, Chair)
- 4.4.3 Right now this group can provide information to City Council or other candidates about issues that are important to move forward (Blanca Gadney-Moss, Member).
- 4.4.4 Unless we change Public Utility Commission codes we can't do much unless we're taking a very strong opposition (Jonathan Childress, Member)
- 4.4.5 I think we should set a date to have a rough draft of the sections from our subcommittees. I propose we present at our meeting on July 11th (Fareed Issa Klayel, Member).
- 4.4.6 Motion by Jonathan Childress to meet on a bimonthly basis instead of a monthly basis.
 - 4.4.6.1 No second. Motion does not carry.
- 4.4.7 Please keep in mind that the committee is not charged with being involved in the rate case. The RREAC cannot make recommendations regarding the current rate case on behalf of the committee. RREAC members can voice their opinions but only on their own behalf and not in their capacity as a member of the RREAC. RREAC members *can* mention they are members of RREAC (Elizabeth Ruhmann, City of El Paso Legal Department)

3. ADJOURNED AT 8:03 PM

- i. The next meeting will be **Tuesday, June 13, 2017 from 6 pm – 8 pm in the Main Conference Room of CITY 1, 300 N. Campbell.**

Please note: The statements made on the agenda items above are the opinions of those individuals noted and do not necessary represent an official position of the City of El Paso. For a complete recording of this meeting, please visit <http://www.elpasotexas.gov/videos> and click the "Other" dropdown and select Regional Renewable Energy Advisory Council from 4/11/17).