



# Regional Renewable Energy Advisory Council (RREAC)

MEETING NOTES: DECEMBER 1, 2016

**Mayor**

Oscar Leeser

**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

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Lily Limón

*District 8*

Cortney C. Niland

**City Manager**

Tommy Gonzalez

**Attendance**

Name	District	Position	Present
Frederic Dalbin	Mayor	Member	x
Ernest Eisenberg	1	Member	-
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 Khlayel	6	Member	x
Xavier Miranda	7	Chair	x
Patrick Schaefer	8	Member	x

**1. MEETING CALLED TO ORDER WITH QUORUM AT 5:09 PM**

**a. Members present ( as noted above)**

**b. Late Arrivals:**

- Frederic Dalbin
- Patrick Schaeffer
- Shelby Ruff

**c. Request to excuse absent members**

- Motion approved
- **Fareed Issa Khlayel:** How many absences are acceptable before members are removed from the board? Motion to set no more than 3 absences prior to consideration for removal. (Motion not carried)
- **Fred Dalbin:** Motion to place discussion on the next meeting agenda – Proposal from **Fareed Issa Khlayel** that two consecutive absences and three total would result in dismissal from the Board. Reappointment / appointment of a new member would be at the discretion of designated City Council representative.
- Motion Seconded: Blanca Gadney-Moss
- There is currently no limit (Nicole Ferrini, Staff)

**d. Approval of minutes from 10/06/2016 meeting**

- Motion to Approve: Patrick Schaeffer
- Motion Seconded: Xavier Miranda
- Minutes approved

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

**a. Discussion and action on revising current meeting schedule**

- **Request to amend our bi-monthly meeting schedule to monthly (Xavier Miranda, Chair)**
  1. Meeting would convene at 6 pm to make it more accessible to the public
  2. **Xavier Miranda:** Motion to formally adjust the meeting schedule to first Thursday of every month convening at 6:00 pm – 8:00 pm.
  3. Motion Seconded: Blanca Gadney-Moss



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4. Motion Carried
- **Request to adjust scheduled meeting time (Ernest Eisenberg, Member)**
  1. **Fareed Issa Khlayel:** Motion to address absence of Ernest Eisenberg, District #1
  2. Motion Seconded: Xavier Miranda, Chair
  3. Motion Carried
- b. **Discussion and action on items from meeting held on October 6, 2016**
  - **Feedback on challenges and solutions identified at Urban Energy Forum**
  - **RREAC members will identify three priority areas under the committee's purview for the group to focus on moving forward**
    1. **Fareed Issa Khlayel, Member:** Distributed proposed plan to make solar energy a group priority. (See attached Appendix A for recommendations.)
      - a. Recommendation to introduce industry experts to discuss interconnections, rate structure, and other issues surrounding policy and regulation.
    2. **Xavier Miranda, Chair:** Recently released Hunt Institute Report can serve as a valuable reference to the discussion. (See <https://www.dropbox.com/s/lwx3zjqdddg1ch5/Paso%20del%20Norte%20Energy%20Sector%20Review%20Fall%202016.pdf?dl=0>)
    3. **Shelby Ruff, Member:** Requested Clarification on geographic territory included in RREAC Scope
      - a. El Paso alone does not capture the entire opportunity. A regional perspective / approach is required. (Patrick Schaefer, Member)
    4. **Key Issues Summary:** The following is a summary of discussion regarding potential RREAC priorities. No action was taken on these points at this time.
      - a. **Policy and Regulation**
        - **Patrick Schaefer, Member:** Current energy issues require changes that the City does not have jurisdiction over alone. Part of this committee is to think about what dramatic changes we need to make as a team at the state and federal level. There could be incremental steps but these are really state and federal issues that constrain our energy portfolio.
        - **Frederic Dalbin, Member:** Our community requires proper regulation in the market that favors renewable energy.
        - **Jonathan Childress, Member:** Developing a working knowledge for of the jurisdictions for the area and developing a working framework to tackle policy. Potentially creating subcommittees to tackle life-cycle cost for various energy types
        - **Blanca Gadney-Moss, Member:** There is a need to design different systems and different policies. Resources are available at the University of Texas at El Paso (UTEP)
      - b. **Economic Development**
        - **Blanca Gadney-Moss, Member:** Wealth passes through the El Paso community when it should instead be a nexus encouraging wealth to stay



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here. El Paso is a minority city of wealth and inequality. These old systems are not working for us. Who is going to be a stakeholder and who is going to be an investor in our community? I see a difference between stakeholders with a financial gain and those who have an interest in the success of the system. Focus area should include equity. Burden on community in terms of cost is heavy. (Referenced Patrick Schaefer Ted Talk,

<https://www.youtube.com/watch?v=svQwEZAe2os&feature=youtu.be>)

- **Fareed Issa Khlayel, Member:** How do we reconcile the issue that poor people cannot afford clean energy? They can. How we can find solutions?
- **Patrick Schaefer, Member:** Priorities should be: 1) Identifying the business case for renewable integration as well as barriers to integration. 2) How El Paso is special and what we have that others don't and how that can enrich the business case, and 3) How schools at every level can work with business and technological research to add to the business case and enrich the community.

### c. The Municipal Role

- **Xavier Miranda, Chair:** Recommendation to discuss proposal to pursue 50% of new bond funded construction to incorporate renewable energy, a mandatory minimum.
- **Fareed Issa Khlayel, Member:** How can the municipality influence other citywide projects in terms of energy usage? i.e. Newly acquired ASARCO site, School District Bond Projects, etc.
- **Blanca Gadney-Moss, Member:** Create a credentialing process for stakeholders and investors who are committed to our community and the environment so we can keep wealth local and invest in the El Paso community. Credentials could become part of bidding process. Creation of a specification indicating as certain credential to bid.
- **Shelby Ruff, Vice Chair:** Municipal role seems to stand out as a priority.
- **Fareed Issa Khlayel, Member:** For example, if we want solar for the arena, how can we work with the utility?

### d. Environmental Impacts / Costs

- **Jonathan Childress, Member:** Energy is vital to everything we do every day. We don't think about it until our lights are off. It touches every facet of our life. Solar cell batteries, as an example, can be troublesome in terms of life cycle analysis and we need to be sure to consider those issues. Natural gas is considered clean energy but we're just substituting the issues (instead of air quality issues, now we'll have water quality issues)
- **Crystal Arrieta, Member:** Fossil fuel use should be discussed with an emphasis on moving forward with clean energy. Additional focus should be on issues like effective waste management, greenhouse gas fees, i.e.



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methane tax

#### e. Outreach / Awareness / Education

- **Blanca Gadney-Moss, Member:** Public forums and neighborhood association engagement is critical.
  - **Eduardo Gutierrez, EPE Technical Advisor:** Behavior change in the community is a priority for the utility.
  - **Shelby Ruff, Vice Chair:** Committee should pursue the low hanging fruit while also having these long term goals. Outreach for energy conservation and energy efficiency directly ties in with a focus on behavior change. Begin with rebates and scaled energy efficiency goals, (light bulbs, attic fans, efficient appliances, etc.) Followed by pursuing solar policy.
  - **Jonathan Childress, Member:** Energy Efficiency and conservation are priorities.
  - **Frederic Dalbin, Member:** Energy efficiency is one thing and renewable energy is the other. We need to stay focused on renewables in the region
5. **Fareed Issa Khlayel, Member:** Motion for RREAC members read/review the document, followed by recommendations for priorities at the next RREAC meeting.
- a. Motion Seconded: Blanca Gadney-Moss
  - b. Motion carried
6. **Fareed Issa Khlayel, Member:** Motion to establish a subcommittee that allows for citizen input and participation.
- a. No second to the motion
  - b. Motion does not carry.
  - c. Subcommittees will be discussed at a future date.
- c. **Discussion and action on recommendation to City Council to submit a SolSmart application (Blanca Gadney-Moss, Member)**
- **Presentation by Planning + Inspections Department regarding prerequisites for SolSmart Bronze designation (Raul Garcia, Planning and Inspections Department)**
    1. Current permitting processes for solar panels is very streamlined.
    2. Panels are permitted in all zones within the City of El Paso.
    3. Process requires call-in permit and a permit is issued very quickly.
    4. Following construction completion, the facilities are inspected.
    5. Recommendation to expose our process on the website, showing how easy the process is.
    6. Larger utility-type facilities require a lengthier three to four month process and requires a different permit.
  - **Blanca Gadney-Moss, Member:** Motion to proceed with recommendation to City Council to apply for Solar Smart Designation
    1. Motion Seconded: Frederic Dalbin, Member
    2. Motion is carried



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- Next Steps Toward Applying to become a Solar Smart Community:
  1. Blanca Gadney-Moss to draft vision statement for application and then distribute to RREAC members for review and comment.
  2. Frederic Dalbin to research and report on current processes for solar installation (city planning and others)
- d. **Presentation by El Paso Electric regarding rate case process and procedure** (See attached presentation Appendix B)
  - *Note on presentation* – MPS – Montana Power Station. September 2016 and December 2016 is reversed (New Mexico and Texas)
  - **Discussion on the impact of El Paso Electric rate case on solar panel customers (Xavier Miranda, Chair)** *No action was taken on this item.*
    1. **Shelby Ruff, Vice Chair:** I'm a fan of this over another power plant. If it's on my roof, it's making about \$17/ month. So the idea is you're paying a premium for clean energy?
      - a. Yes now it might be a premium, but in the long-term, the price is locked in. If we expand our solar facility, the price will not go up but could potentially go down. (Jim Schichtl, EPE)
      - b. This is market driven, just like how people pay a premium for organic produce. (Jonathan Childress, Member)
    2. **Blanca Gadney Moss, Member:** The subscription fee for community solar will be \$20 / KW in addition to the connection fee, yes?
    3. **Fareed Issa Khlayel, Member:** Is this essentially a public-private partnership?
      - a. No. This took a lot longer to get commission approval. It's stretching the bounds of what a regulated utility typically does. (Jim Schichtl, El Paso Electric)
    4. **Blanca Gadney-Moss, Member:** If you buy into the community solar, you're not subject to rate increases from a rate case?
      - a. Essentially, yes, that's the hedge. (Jim Schichtl, El Paso Electric)
      - b. There is a likely increase in January because of the fluctuations in gas. You could be immune to this for those blocks of community solar energy that you purchased. (Eddie Gutierrez, Technical Advisor)
    5. **Shelby Ruff, Vice Chair:** There are benefits to this program for those who cannot partake in rooftop solar. If you're looking at it from a holistic standpoint, then it's helping the city in our renewable energy goals. But they do get the tax credit instead of the resident getting the tax credit.
    6. **Xavier Miranda, Chair:** So when you have the peak charges—you have two types right?
      - a. You would still see time of use rate charges (Jim Schichtl, El Paso Electric)
    7. **Shelby Ruff, Vice Chair:** Are you going to build the plant first or build as you go?
      - a. The three (3) Megawatt plant will be built first. (Jim Schichtl, El Paso



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Electric)

8. **Blanca Gadney-Moss, Member:** My only concern is that this is somehow set up to inhibit the growing renewable energy market. Residential solar customers are hit with rate cases, but EPE has an insular, protected situation.
    - a. We've been very methodical about how we are approaching this program at the utility scale. (Eddie Gutierrez, Technical Advisor)
  9. **Fareed Issa Khlayel, Member:** Messaging is important for people to understand this kind of program. What is being presented here is not going to work with the average customer. (Freddy Khlayel, Member)
    - a. We actually have a lot of great resources that speak to all types of folks—you should check out the video that's on our website. (Jim Schichtl, EPE)
  10. **Shelby Ruff, Vice Chair:** We want to collaborate with the utility to make it clear that there is not competition, but consistent support for renewable energy.
- **Discuss how RREAC can provide assistance in upcoming rate case with El Paso Electric Company (Blanca Gadney-Moss, Member)** *No action was taken on this item.*
    1. **Jim Schichtl, El Paso Electric:** What we proposed in the Texas case (the separate rate class for solar customers)—the reason is because EPE needs to recover costs from those customers that are covering all of their energy and distribution costs are not covered, so the increased rate is to cover those costs. Rooftop solar customer gets a larger credit—they receive the entire retail energy charge vs what you would get as a community solar customer. I don't see this as a direct competition—these are two different customers. (Jim Schichtl, El Paso Electric)
    2. **Blanca Gadney-Moss, Member:** How do we collaborate—be partners?
      - a. We can have discussions like this –that's how this committee can help. What is the rationale for what we're doing? It's balancing the cost across all customers. (Jim Schichtl, El Paso Electric)
      - b. RREAC should discuss the rate cases on solar customers before they go forward. Any action against solar is directly contrary and not collaborative. RREAC and EPE need to work together. (Shelby Ruff, Vice Chair)
      - c. EPE should not discuss solar as being “subsidized” --rooftop solar is not a loss of energy for EPE. (Blanca Gadney-Moss, Member)
      - d. Regarding the upcoming rate case, we have December and January for discussion. (Jim Schichtl, El Paso Electric)
    3. **Freddy Khlayel, Member:** If EPE leads the way, can they keep those jobs here in terms of solar installation, when EPE is subcontracting? That way we're building the expertise locally.
    4. **Shelby Ruff, Vice Chair:** How is EPE communicating the information about



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community solar?

- a. EPE has been conducting presentations to neighborhood associations about Community Solar (Eddie Gutierrez, Technical Advisor)
  - b. RREAC members would like to be notified of community presentations. (Freddy Khlayel, Member)
  - c. Please share this presentation and the video on EPE's website with RREAC. (Xavier Miranda, Chair)
  - d. Staff will distribute the schedule for EPE community meetings and discuss with Community Development so as to include Neighborhood Associations. (Nicole Ferrini, Staff)
- e. **Discussion and action on upcoming agenda items:** Discussion will provide direction for staff to prepare upcoming meeting agendas.
- **Discussion on research findings on the Clint Landfill Methane Capture Project, and possible expansion of the program (Xavier Miranda, Chair)**
    1. No progress has ever come of this project. We'd like to see an expansion of the program throughout the City and County. (Xavier Miranda, Chair)
    2. I'm going to respectfully ask that we focus on solar. (Fareed Issa Khlayel, Member)
    3. Direction to shelve this item for a later agenda.
  - **Discussion on the environmental impact of the San Eli Pipeline (Xavier Miranda, Chair / Crystal Arrieta, Member)**
    1. **Fareed Issa Khlayel, Member:** Motion to place on January Agenda
    2. Motion Seconded, Blanca Gadney-Moss, Member
    3. Motion carried
  - **Discussion on building energy conservation survey (Crystal Arrieta, Member)**
    1. Direction to shelve this item for a later agenda.
  - **Discussion about methods to communicate ideas openly to the community (Freddy Khlayel, Member)**
    1. Direction to shelve this item for a later agenda.
  - **Discussion about a state-wide event where renewable energy industry can come to El Paso and offer their ideas (Freddy Khlayel, Member)**
    1. Direction to shelve this item for a later agenda.
  - **New Items Introduced / Proposed for Future Agenda:**
    1. **Shelby Ruff, Vice Chair:** Motion to include upcoming EPE rate case—How are other municipalities successful in terms of supporting solar and how that model can be applied in El Paso without a solar tax?
    2. Motion Seconded, Fareed Issa Khlayel, Member
    3. Motion carried



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#### 4. CALL TO THE PUBLIC

- a. Three questions 1) A man in Minnesota was arrested for installing a wind turbine. Can we focus on this and make sure an El Pasoan doesn't end up in this situation? 2) Earlier we were talking about energy pricing, if you put a solar panel on a school, you remove that education barrier of not allowing them to afford books and other supplies (by reducing their energy bills). We need giant covered parking lots with solar. What will this do for those kids and their desires for solar in our future? We have to be the ones advocating for these items. We need solar at ASARCO! The people that live around Western Refining are the least healthy people in the city—need to divest in those types of energy (Andrew Torres, Public)
  - I think I can speak for RREAC when I say that we want to increase access and not prohibit it. I'm familiar with the Minnesota story and he was held in contempt of court. We want to make it accessible. (Jonathan Childress, Member)
- b. My wife and my partner are involved with CREW (Clean Renewable Energy Worldwide). This is really exciting. It's all in the timing—this is good timing right now. There are hardly any regulations in the City, jump now before there are more. It's a simple process, it's new and it is time. (James Jenkins, Public)
- c. I'm thankful and proud that we have an Office of Resilience and Sustainability. So happy to see so many other like-minded people. CREW is about collaboration and we offer our services to you. We distribute energy solutions. We should reduce before we produce and we have some advanced technology that can help achieve reduction. We also have state of the art LEDs. (Meridy Jenkins, Public).
- d. With CREW and Spirit Energy who wrote a lot of the protocols for the Department of Energy. We're all about energy management. I want to commend EPE on their endeavors with energy efficiency and incentives. Energy efficiency needs to come first—fix the hole then look at renewable energy. We're offering collaboration and we feel we can be a value to this committee. (Patrick Mahoney, Public)
- e. PACE is available right now-- \$250 million is available. There is a Fanny Mae program that is available, and the 30% tax incentive. San Antonio is offering great programs. We're going to have to get private individuals involved to get this going. Thankful that you're all involved (James Jenkins, Public)
- f. I was looking through the notes of the last meeting, and it boils down to that I don't want you all to forget that we don't have a renewable energy goal in El Paso. This is my first semester and I'm learning a lot every day. All this information has got me on fire! Did not know there are more cons than pros, and this is something I want to learn more about and change in our community (Benito Joseguerras, Public)

#### 5. ADJOURNED AT 7:46 PM

- a. Next meeting will be **Thursday, January 12, 2016 at 6 pm (please note the change in time from 5 pm to 6 pm)**

*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.*