

# City of Gainesville

City Hall  
200 East University Avenue  
Gainesville, Florida 32601



## Minutes

Tuesday, February 19, 2013

5:00 PM

City Hall, Room 16

## Regional Utilities Committee

*Mayor-Commissioner Pro Tem Lauren Poe, Chair  
Mayor Craig Lowe, Member  
Commissioner Susan Bottcher, Member*

*Persons with disabilities who require assistance to participate in this meeting are requested to notify the Equal Opportunity Department at 334-5051 or call the TDD phone line at 334-2069 at least two business days in advance.*

## CALL TO ORDER

The meeting was called to order at 5:03 p.m.

## ADOPTION OF THE AGENDA

The agenda was adopted as drafted.

## APPROVAL OF MINUTES

[120859.](#) RUC November 20, 2012 Meeting Minutes (B)

**Attachments:** [20121120 RUC Mtg Minutes](#)

**RECOMMENDATION** *Approve RUC November 20, 2012 meeting minutes as drafted.*

The minutes of the November 20, 2012 RUC meeting were approved as drafted.

## CURRENT ACTION ITEMS

[080183.](#) Coal Aquisition Policy (B)

**Attachments:** [Item #080183 Back Up for 1-23-12.pdf](#)  
[Item #080183 Laws & Regulations Applicable to Mountain Top Mining RUC N](#)  
[RUC Item 080183 Citizen Submittal 8-16-11.pdf](#)  
[RUC Agenda Back-Up-Item 080183.pdf](#)  
[#080183 Coal Aquisition Policy 2-19-13](#)

**RECOMMENDATION** *Hear a year-end update from staff on GRU's coal supply and coal aquisition policy.*

Deborah Johnson, Senior Analyst in Energy Supply gave an update on GRU's current coal contracts and procurement policies. She explained that GRU currently has three active contracts, which are all set to expire in the second quarter of FY13. She said there are no plans at this time to solicit additional contracts for FY13 based on the amount of coal we have in inventory.

Ms. Johnson said that approximately 25% of the coal under our current contracts comes from mountain top removal and the remainder from deep mines. Ms Johnson and Mr. Foxx explained that when they analyzed it a few years ago, not using the mountain top coal resulted in an additional \$300,000 a year. Mr. Foxx also explained that current market forces are driving the industry away from mountain top removal.

[120516.](#) Solar Feed In Tariff Referral to the Regional Utilities Committee (B)

**Attachments:**    [#120516 Renewable Energy Presentation 2-19-13](#)  
[RUC #120516 Solar Net Metering Presentation 4-17-13-Modified](#)

**RECOMMENDATION**        *Hear of a review of the solar feed-in tariff program from staff.  
The presentation will include discussion of RUC item  
numbers 110783, 120516, 120686 and 120687.*

Commissioner Poe gave some background on the reason for this presentation, explaining that while we've had great success with all of our solar programs, we've layered on levels of complication in an attempt to satisfy requests from citizens and the City Commission. Staff is asking the RUC to help simplify our solar programs.

Lewis Walton then gave an overview of past and present GRU solar programs

Mr. Walton explained that the FIT program has resulted in a dramatic increase in solar installations in Gainesville. It was noted, however, that in regard to net metering, some customers are overbuilding net metered systems which increases cost to GRU and its customers. It was also noted that most utilities in Florida offer net metering at avoided cost but GRU offers it at the retail rate. This means the cost of our net metered program increases whenever rates increase. Mr. Walton explained that solar is mostly accessible to those with the capital to invest or those that have borrowing capacity. This lead to discussion of how to make solar affordable for a larger segment of the population, including more local citizens. It was determined that the committee wanted to hear a presentation from the county on the PACE program.

Commissioner Wells said that when landlords participate in GRU's conservation programs, the benefit goes to the renter rather than the property owner and that this was a disincentive for landlords to participate. Ms. Viehe explained that there was an outstanding RUC referral on this topic. Commissioner Poe responded that a citizen's group is currently looking at the issue and working on an ordinance requiring landlords to make certain energy upgrades. He said it would no doubt be controversial.

Commissioner Poe requested that the Committee hear GEAC's proposal before giving any direction on our solar programs since their proposal might tie in with our current programs.

[120857.](#)

Production Credit Proposal (B)

**Attachments:**    [Item #120857 Production Credit Proposal 2-19-13](#)

**RECOMMENDATION**        *Hear a presentation from the members of the Gainesville  
Energy Advisory Committee*

Members of the Gainesville Energy Advisory Committee (GEAC) prepared a presentation that was given by Mike Collins of PPM Solar. They recommended that GRU consider adopting a program like the one at OUC – a 5 cent production credit for any energy produced (inside or outside the facility). Staff explained that this would cost more than the Solar FIT. There were a number of questions regarding how the proposed program would work and if it was intended to supplement FIT or take the place of FIT. The committee members said that hadn't really been determined and it could be part of the discussions in the future.

The RUC Committee instructed staff to:

- Come back with a specific “avoided cost rate” recommendation including an analysis of how this change might affect deployment
- Compare what we do and our recommendation with what other utilities do
- Analyze the GEAC proposal
- Schedule a presentation from the County on an update of the PACE program

**MEMBER COMMENT**

**CITIZEN COMMENT**

**NEXT MEETING DATE**

April 17, 2013 at 5:00 p.m.

**ADJOURNMENT**

The meeting was adjourned at 7:50 p.m.