



Sandy City Council Office

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MEMORANDUM

August, 13, 2024

To: City Council Members

CC: Dustin Fratto, Council Executive Director
Shane Pace, Chief Administrative Officer

From: Aaron Dekeyzer, Council Member At-large

Subject: Second Reading: Community Renewable Energy Program

On Tuesday May 21, 2024, I requested a presentation (Exhibit "A") from Utah Renewable Communities, as a first reading, regarding our potential participation in the Community Renewable Energy Program (CREP). Tonight, during a second reading, I'm asking the Council to formally consider moving forward with participation in that program. As there is a looming August 31st deadline, I ask that the council make a decision this evening that includes a request for the Administration and direction for professional staff.

Background

Utah Renewable Communities is a coalition of cities, counties, and other municipalities that are pioneering renewable energy solutions in Utah. In April 2019 the Utah Legislature passed the Community Renewable Energy Act and since that time eighteen Utah communities opted to participate in the program. In 2024 the Utah Legislature opted to re-open the program allowing additional municipalities to join if they wish.

The intention of the program is to launch a default net-100% renewable electricity option for customers of Rocky Mountain Power in the communities that have opted to participate in the program. Net-100% renewable electricity means that the program's electricity usage is balanced by renewable energy generated through Rocky Mountain Power's system on a yearly basis.

Prior to Program launch (estimated to launch at the end of CY 2025), Rocky Mountain Power Customers in participating communities are able to opt out of participation in the Program. After the program begins, enrolled customers will see an additional charge on their Rocky Mountain Power electricity bill (estimated to be between \$2-7/month for residential customers). Customers may still opt out after the program begins, although, it's expected that a small termination fee will be required at that time (CREP has discussed a \$30 fee).

Sandy has not currently opted to participate in the program. If the City would like to participate, we will need to complete several program requirements prior to August 31, 2024. I've outlined those requirements in the timeline below.

Action Item Timeline

By July 15, 2024

- Complete a “Prospective Party Application Form” and pay a \$100 application fee – COMPLETE

By August 31, 2024

- Execute a counterpart of the Interlocal Agreement (Exhibit “B”) which binds the City to all Resolutions of the CREP Board (Complete during 8/20 or 8/27 meeting).
- Execute a Resolution appointing an ex-officio board member and an ex-officio alternate board member from among Sandy elected officials to the CREP Board (Complete during 8/20 or 8/27 meeting).
- Make an initial payment to the CREP per the amount indicated in the Prospective Party Application Form (Exhibit “C”). This amount is \$35,737.26.
 - Should the Council wish to pay for this through an existing appropriation a budget opening will not be required. If the council wishes to make a new appropriation a public hearing including a 7-day notice will be required. If a new appropriation is desired, a public hearing should be held during the 8/27 meeting.
- Produce and deliver to the CREP a map depicting the Sandy City boundaries (To be completed by administrative staff).
- Produce and deliver to the CREP a plan for low-income assistance related to this program (To be completed by administrative staff)
- Execute the “Utility Agreement” (Exhibit “D”), which obligates the City to pay Rocky Mountain Power for the cost of providing customer noticing. This agreement also includes other stipulations.

By August 31, 2025

- Make a final payment to the CREP per the amount indicated in the Prospective Party Application Form (Exhibit “C”). This amount is \$35,737.26. Should the Council opt to participate in the program this amount should be appropriated during FY 26.

By Fall 2025

- Adopt the required Participation Ordinance.

Decision

Tonight, I’m requesting that the Council make the policy decision, by adopting the attached Resolution (Exhibit “E”), that Sandy City intends to participate in the Community Renewable Energy Program. Such a decision should also include direction for the Administration to review and complete all program requirements due to the CREP by the deadlines outlined within this memorandum.