

Management Committee

Meeting date: January 14, 2015

For the Metropolitan Council meeting of: January 14, 2015

Subject: Amendment to the Environmental Sustainability Policy, 1-2

District(s), Member(s): all

Policy/Legal Reference: Thrive MSP 2040 (re. sustainability); Policy 2-1; Governor Exec. Order 11-13; and Minn. Stat. sections 216B.1641 (b) (re. Community Solar Gardens) and 216B.1691 subd. 2f (re. solar energy standard)

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Division/Department: MCES/Finance, Revenue & Energy

Proposed Action

That the Metropolitan Council approve the amendment to the Environmental Sustainability Policy, as shown on the attached, resulting in an expansion of options for utilization of Council resources beyond its own operations and creating the opportunity to share financial benefits with local governmental entities which choose to participate.

Background

Thrive MSP 2040 calls for the Council to take actions to further environmental sustainability beyond its own operations. In particular, *Thrive* envisions the Council providing assistance to local governments to reduce climate impacts.

The Council can promote environmental sustainability by hosting Community Solar Gardens on Council property. Community Solar Gardens are facilities that generate electricity by means of solar photovoltaic devices and where “subscribers” to the project receive a bill credit for the electricity generated in proportion to the size of their respective subscriptions and the production of the solar panels. This policy amendment furthers renewable energy development and provides the Council an opportunity to host Community Solar Gardens and offer such a program’s benefits to eligible local governments who choose to participate.

The proposed policy amendment authorizes the use of Council assets to further regional environmental sustainability as long as doing so will not be detrimental to the Council’s core functions. Also, subject to the approval of the Regional Administrator, staff will develop a procedure for the policy’s implementation including criteria for local government eligibility.

Rationale

The existing Sustainability policy is limited to the Council’s operations and management. It does not authorize broader participation and outreach to the region as is called for in *Thrive*. Moreover, the specific opportunity to develop Community Solar Gardens encourages solar energy generation not only for Council operations but also for other as well. Facilitating such long term development on Council property is a policy matter.

Funding

The Council budgeted for community level action on environmental sustainability in 2015, both in MCES for water sustainability and Community Development for other environmental sustainability assistance and outreach.

The anticipated solar garden subscriptions do not require capital costs. In regard to operating costs, Solar Garden proposals for use of Council property will have to generate an expected direct net present value benefit over time for ratepayers or tax payers. The cash flow required for the subscriptions are likely to be equal to or less than the alternative cost of buying energy from the utility either immediately or within a short period of time, so funding for electricity will be handled in normal operating budgets.

Known Support / Opposition

Parties have expressed interest to both MCES and Metro Transit in participating in solar gardens on Council land and on its buildings.

Legislation passed in Minnesota in 2014 includes a mandate of 1.5% of energy generation from public electric utilities should be from solar by 2020, and an energy goal for the State of Minnesota that, by 2030, 10% of all the retail electricity sales in Minnesota be generated by solar energy.

POLICY – ENVIRONMENTAL SUSTAINABILITY

Section/Number: 1-2	Total Pages: 2
Dept. Responsible: Environmental Services	Effective Date: 3/1/2012
Special Note:	Last Revision Date: Draft 1/6/15
	Last Review Date:
	Revision No.

I. Policy

To the extent authorized or permitted by law, the Metropolitan Council will conduct its own operations and use its assets and other authorities to promote environmental sustainability and specifically to:

- 1) increase energy efficiency and the development of renewable energy sources;
- 2) reduce greenhouse gas and other air emissions;
- 3) conserve and protect water resources;
- 4) prevent pollution; and
- 5) reduce solid waste generation, reuse and recycle materials.

To achieve these goals, the Council will: consider environmental sustainability in all its operations and management; pursue environmental sustainability initiatives that are economically feasible; and monitor success in sustainability improvement by periodically evaluating performance on metrics in a published report.

The Council may allow its assets to be used to support sustainability projects, where its core functions will not be jeopardized. This includes, but is not limited to, hosting and participating in sustainability projects that may use Council lands or buildings and provide beneficial opportunities to other governmental entities.

II. Purpose of policy

This policy supports the Council’s statutory mission to help ensure the orderly and economical development of the Region, by:

- Making a difference in the sustainability of Council’s own operations - and leading by example in the Region.
- Supporting and contributing toward the renewable energy objectives in Minnesota Statutes section 216B.1691 by developing and supporting programs that promote renewable energy.
- Providing opportunities for local governments in the Region to also participate in environmentally sustainable programs.

III. Background and reasons for policy

The Council is one of the largest consumers of energy (electricity, natural gas, and motor vehicle fuels) in the State of Minnesota. It is also a large consumer of other goods and services. Through changes in daily operations, ongoing programs, and future facility design, the Council has the potential to



significantly reduce its dependence on fossil fuel energy sources (contributing to Minnesota’s energy security), reduce its greenhouse gas air emissions, use water resources more wisely, and reduce, reuse and recycle materials, all as is prudent for the Region’s future economy and quality of life.

IV. Implementation/Accountability

Each Council division is responsible for carrying out this policy and is accountable for managing and tracking sustainability measures for its own operations and using its own assets.

Environmental Services is responsible for the regional outreach and assistance related to water sustainability. The Community Development division is responsible for the regional outreach and assistance related to all other types of environmental sustainability.

V. Definition of Terms

Greenhouse gas emissions: are emissions responsible for climate change as defined in Minnesota Statutes section 216H.01.

Economic feasible means 1) funding exists to cover the costs of the improvements or the financing for them is secured, and 2) the net present value of the expected cash flows of the improvement over its life cycle is greater than zero.

Other air emissions are criteria air pollutants that are regulated (such as particulate matter and ozone) that may cause the metropolitan area to be considered “non-attainment” and potentially require an expensive mitigation plan.

Sustainability or sustainable is the criteria of meeting present needs without compromising future resources, options, or opportunities.

Pollution prevention is eliminating or reducing at the source the use, generation, or release of toxic pollutants, hazardous substances, and hazardous wastes.

Revision/Review Tracking

Date	Revision No.	Review Only – No changes
	1	