



STAFF REPORT AND FISCAL IMPACT NOTE

Ordinance: R-43-18

Title: Maryland Energy Administration - Maryland Smart Energy Communities Grant - Adoption of Policies that Promote Energy Efficiency and the Development of Renewable Energy Resources

Date: September 5, 2018

STAFF REPORT

In fiscal year 2018, the City executed a grant agreement with the Maryland Energy Administration for a \$55,000 grant under the Maryland Smart Energy Communities program. The grant will be used to change the exterior and interior lighting at 25 City well pumping stations to LED lighting. If sufficient funds remain after changing the lights at the pumping stations, the remaining funds will be used to retrofit the top floor of the Gotts Court Garage with LED technology.

The grant agreement requires the City to (1) develop, adopt, and implement policies that promote energy efficiency and the development of renewable energy resources; and (2) carry out a renewable energy project that implements one of its adopted policies.

Consistent with the grant agreement, this resolution adopts policies that commit the City to:

- Establishing an electricity consumption baseline year for the City's government buildings.
- Reducing electricity consumption of local government buildings by 15% within five years of a baseline year.
- Developing an Energy Reduction Plan documenting the baseline year energy consumption and a comprehensive program to reduce total electricity use by 15% of the baseline year.
- Reducing conventional electricity generation serving local government buildings by meeting at least 20% of those buildings' electricity demands with distributed renewable energy generation within five years of a baseline year.

- Developing and implementing a Renewable Energy Action Plan to map out how the City will achieve the renewable energy goal.

In the pursuit of the energy efficiency and conservation goal, the City has already entered into a Guaranteed Energy Savings Contract with Honeywell International Inc. to (1) increase energy efficiency in City owned buildings, including the performance of an energy audit in 2016; (2) installing energy efficient HVAC systems; and (3) retrofitting lighting fixtures with LED lighting. The 2016 energy audit will be the baseline year for the grant.

In achieving the development of renewable energy resources goal, the City has already entered into a Land Lease Agreement with Annapolis Solar Park, LLC. The solar park is planned for a September 11, 2018, opening when it will begin to generate clean, renewable electricity.

Prepared by: Jacqueline Guild, Director of Office of Environmental Policy.

FISCAL IMPACT

There are no costs to the City beyond those costs already budgeted. The grant does not require any matching funds, and the costs to develop, adopt, and implement policies that promote energy efficiency and the development of renewable energy resources and to carry out a renewable energy project have already been included in the budget.

Prepared by: Jodee Dickinson, Finance Director