



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item Number: *5.d

Title:

Recommendation to approve City Ordinance Authorizing St. Charles to Participate in the IMEA Renewable Energy Credits Sales Program

Presenter:

Paul Hopkins

Government Services Committee

Date: November 23, 2020

Proposed Cost: \$ 0

Budgeted Amount: \$

Not Budgeted:

Staff is seeking approval of an ordinance authorizing participation in the Illinois Municipal Electric Agency (IMEA) Renewable Energy Credit (REC's) Sales Program. This program is being offered through the IMEA Green Power Choices (GPC) Program which offers an accessible and affordable way for IMEA members and their customers to achieve their renewable energy objectives. This is a voluntary program available to IMEA municipalities and their customers who have a growing interest in utilizing renewable energy to fulfill their power supply needs by purchasing REC's from green energy sources such as wind turbines or solar installations. The Public Works Department has received inquiries concerning the availability and cost of electric energy REC's from some of our St. Charles customers including a large industrial customer who is seeking to participate in the program this calendar year if available. Approval of the proposed ordinance allows the St. Charles Electric Utility to offer this program to interested customers at no cost to the City and with complete management of the program through IMEA.

Attachments:

*IMEA Green Power Choices Brochure *Proposed language for a new City of St. Charles Ordinance allowing City participation in the IMEA Renewable Energy Credits Sales Program.

Recommendation:

Recommendation to approve new City Ordinance that allows for City of St. Charles participation in the IMEA Renewable Energy Credits Sales Program provided by IMEA and administered through the City of St. Charles Public Works Electric Services Division.

Green Power Choices

An IMEA Member Program



About the Program

Now you can make a GREEN POWER CHOICE with IMEA!

The GREEN POWER CHOICES Program is a simple and affordable way to support renewable electricity production by purchasing Renewable Energy Credits (REC's) from green energy sources such as wind turbines or solar installations.

One REC is equal to one megawatt-hour (MWh) of renewably generated electricity. A typical Illinois home uses 8-10 MWh of electricity per year. A REC certifies that the MWh it represents was produced by a green energy source.

The GREEN POWER CHOICES Program is available to all IMEA members. Participation is on a completely voluntary basis and is an effective and affordable way to contribute to the continued development of renewable electricity generation!



How the GREEN POWER CHOICES Program Works

- IMEA Member chooses to opt-in to the program
 - Program begins on December 1, 2020. Members should notify IMEA of decision to participate by November 1, 2020.
- Member chooses level of engagement:
 - Member sets renewable energy objective (can be based on a percentage or volume of energy use, or a fixed dollar amount or quantity of RECs, or a combination thereof).
- Member chooses which types of RECs will be purchased:
 - Tier 1 – Illinois based projects – generated within the last 2 years
 - Tier 2 – Nationwide projects – generated within the last 2 years
 - Tier 3 – Newly built projects (built after June 1, 2017). Can be a mixture of both nationwide and Illinois based projects.
- RECs will be sold to Members at cost and billed to the Member based on the estimates provided at the time the Member signs up for the program.
- A final true-up will be calculated after the conclusion of the final month of the REC year to reflect actual costs incurred by IMEA for the REC purchases plus fees. IMEA will charge or provide a credit to the Member based on this true-up in a separate bill.
- IMEA retires RECs on behalf of the Member. Retirement of a REC means it has been used and it can no longer be sold, donated, or transferred to any other party. IMEA will provide annual proof of retirement to the Member.

Contact Information

For questions, or to get involved, contact IMEA:

Sean McCarthy

Tel (217) 789-4632

Email sustainability@imea.org

Visit us on the Web:

<http://www.imea.org>

Why Make a GREEN POWER CHOICE?

- Participation in the GPC Program will enable an IMEA member utility to deliver the benefits of renewable energy simply and affordably to their community to help them achieve city-wide renewable energy objectives.
- The GPC program is highly flexible, allowing IMEA Members to decide their preferred methods and level of engagement, as well as which type of renewable projects to support.
- Buying and retiring RECs allows the member to claim the renewable attributes of the generation that created the REC.
- By matching RECs to your community's energy usage, you can help deliver the benefits of renewable electric generation to your community.
- Buying and retiring RECs provides incentive to continue to maintain and operate these projects as well as incentivize the construction of future renewable generation. By participating in the program, your community can help grow the future of renewable electric generation!



Version 20.2

ORDINANCE _____

AN ORDINANCE OF THE CITY of ST. CHARLES, ILLINOIS
AUTHORIZING PARTICIPATION IN THE
RENEWABLE ENERGY CREDIT SALES PROGRAM OF
ILLINOIS MUNICIPAL ELECTRIC AGENCY

WHEREAS, the Illinois Municipal Electric Agency (“IMEA”) is organized under the Illinois Joint Municipal Electric Power Act, 65 ILCS 5/119.1-1 *et seq.* as a municipal power agency, and it provides electric power and energy and other related services to its member municipalities that own and operate their own municipal electric distribution systems in Illinois; and

WHEREAS, the City of St. Charles, Illinois owns and operates its own municipal electric utility for the distribution and sale of electricity to its citizens and businesses; the City of St. Charles is a Member of IMEA and has a long-term contract to purchase the full requirements of its electric system from IMEA; and

WHEREAS, public policy in the State of Illinois and in the country as it relates to electricity production and usage over the past several years has trended strongly in favor of renewable energy technology and the reduction of the carbon footprint associated with the production of electricity, including the purchase of the Renewable Energy Credits (“RECs”) that represent the environmental benefits of electricity production from renewable energy resources; and

WHEREAS, in service to such public policy and goals, IMEA has developed a Renewable Energy Credit Sales Program called (“Green Power Choices”) to allow Member municipalities the opportunity to voluntarily set and meet their individual municipal renewable energy objectives through the purchase of RECs from IMEA, and for the Members to offer the opportunity for the end-use customers they serve to set and meet individual or corporate renewable energy objectives through the purchase of RECs from the Member; and

WHEREAS, the City Council of the City of St. Charles hereby determines that it is necessary, desirable and in the best interest of the City of St. Charles to provide for a portion of its electric requirements to be credited as being met with renewable resources through participation in IMEA’s Green Power Choices Program and to offer the opportunity for its citizens and businesses to do the same.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL of the CITY of ST. CHARLES, ILLINOIS, AS FOLLOWS:

to

Section 1: The findings and determinations set forth in the preamble to this Ordinance are hereby made findings and determinations of the City Council of the City of St. Charles and incorporated into the text of this Ordinance by this reference.

Section 2. The City Council of the City of St. Charles hereby authorizes and approves the City's participation in the IMEA's Green Power Choices Program and the development of a program whereby the City of St. Charles can offer the opportunity for its citizens and businesses to participate in such program through the City.

Section 3. The City Council of the City of St. Charles hereby authorizes Peter Suhr, who is the City's Director of Public Works, to work with IMEA and determine the level of participation by the City and/or by the City's citizens and businesses in the IMEA Green Power Choices Program, whether that level of participation be by quantity of RECs to be purchased, dollar amounts to be allocated to the purchase of RECs, or the percentage of the City/Village's load to be credited as being served with renewable resources through the purchase of RECs, the type of RECs to be acquired from IMEA and to place binding applications, orders or other requests for RECs from IMEA. Paul Hopkins, who is the City's Public Works Manager of Electric Services, is hereby authorized and designated as the alternate to perform such functions and duties in the event of the absence or inability to act of the Director of Public Works in respect to the participation of the City of St. Charles in the IMEA REC program and should the named individual be replaced in his or her position with the City/Village, the individual holding that title or equivalent position shall automatically be authorized to act as if he or she was the named individual.

Section 4. The individuals named above or their replacements are hereby authorized to execute and deliver and to the extent necessary or appropriate to the City Clerk, who is familiar with the signatures or such individuals, any and all other agreements, instruments or documents reasonably required in connection with the participation in the IMEA Green Power Choices Program

Section 5. This Ordinance shall be in full force and effect from and after its passage, and if required, its publication.

PASSED, APPROVED AND ADOPTED by the City Council of the City of St. Charles of Kane and DuPage Counties, Illinois, as required by law and approved by the Mayor this ____ day of _____, 2020.

Mayor Raymond Rogina

ATTEST:

City Clerk

(MUNICIPAL SEAL)