..Number 131576 ..Version SUBSTITUTE 2 ..Reference

..Sponsor ALD. WADE

..Title

Substitute resolution directing the Department of Administration-Office of Environmental Sustainability and the Department of Public Works to create an energy independence plan that will, among others, reduce reliance on fossil fuels for the supply of electricity, natural gas and heat to operate City facilities and infrastructure.

.. Analysis

This resolution directs the Department of Administration-Office of Environmental Sustainability and the Department of Public Works to create an energy independence plan that will reduce reliance on WE Energies Corporation for the supply of electricity, natural gas and heat to operate City facilities and infrastructure. ...Body

Whereas, The State Energy Policy, s. 1.12, Wis. Stats., provides that in meeting energy demands, a local government unit shall to the greatest extent cost-effective and technically feasible, design all new and replacement energy projects following the following priorities, in the order listed:

- 1. Energy conservation and efficiency.
- 2. Noncombustible renewable energy resources.
- 3. Combustible renewable energy resources.
- 4. Nonrenewable combustible resources, in the order listed: natural gas, oil or coal with a sulphur content of less than 1%, and other carbon-based fuels.

; and

Whereas, On December 17, 2013, the Common Council adopted Resolution File Number 131035, approving and directing implementation of the City's first sustainability plan, ReFresh Milwaukee: City of Milwaukee Sustainability Plan 2013-2023; and

Whereas, *ReFresh Milwaukee* calls on the City to reduce energy use 20% by 2020 and increase reliance on renewable energy to 25% by 2025; and

Whereas, The City Energy Reduction Team, chaired by the Department of Administration-Office of Environmental Sustainability and composed of facility mangers from various City departments, including the Department of Public Works, supports the State Energy Policy and is working to increase energy efficiency in City facilities; and

Whereas, In 2013, the City, including the Water Works and Sewer Maintenance Fund, paid \$16.7 million to WE Energies Corporation for electricity, including electricity for street lights, natural gas and steam for municipal buildings; and

Whereas, The small business electricity rate class (CG-1) has increased 87% since 2003; and

Whereas, The CG-1 electricity rate is paid on smaller City facilities, including fire stations and many public works field offices; and

Whereas, Street lights and traffic signals are important City infrastructure whose increased energy efficiency has resulted in a 6.7% reduction in kilowatt hours from 2005 to 2012; and

Whereas, During the same period, 2005 to 2012, WE Energies Corporation rate increases have resulted in an increase of 9.7% in electrical payments for street lights and traffic signals; and

Whereas, WE Energies Corporation is a monopoly, therefore at present there is no effective commercial alternative to purchasing electricity from WE Energies Corporation; and

Whereas, WE Energies Corporation has dismantled its internal business units that promote energy efficiency and renewable energy; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Administration-Office of Environmental Sustainability and the Department of Public Works are directed to create an energy independence plan that will, among others, reduce reliance on fossil fuels for the supply of electricity, natural gas and heat to operate City facilities and infrastructure; and, be it

Further Resolved, That the plan shall include cost savings and energy efficiencies while working with other energy companies, including WE Energies Corporation.

..Requester

..Drafter LRB151364-5 Amy E. Hefter 4/2/2014