Cleveland City Council held its first hearing on November 30, 2006 to determine the role of Cleveland Public Power (CPP) in promoting alternative energy production and building a local market of customers. Council controls the actions of CPP because of an unusual ownership agreement.

"Alternative power is a hot topic," CPP deputy commissioner William Zigli told council’s Utilities Committee. "The handwriting is certainly on the wall to establish alternative resources."

As one of 86 municipal-owned utilities in the state, CPP can streamline the process on how it implements 2005 federal guidelines for alternative energy known as PURPLA. The much larger and more bureaucratic Public Utilities Commission of Ohio (PUCO) is currently considering the same rule changes for investor-owned utilities such as First Energy.

City council and CPP set a deadline of spring 2007 to decide on rules governing:

- Interconnection—how will producers of alternative energy, such as homeowners with solar panels, physically connect to the grid.
- Net Metering—How do you credit a customer whose self-generated power stops and actually reverses their electric meter from spinning? And how much can self-producers charge utilities like CPP when they sell power back to the grid?
- Smart Metering—For those who don’t plan to purchase solar panels or wind turbines, there’s an option for a new kind of meter that provides information when the utility is at peak (more expensive) hours so customers can “dial down” their consumption.

Current standards for interconnection and net metering used by First Energy limit micro-turbines to 100 kW and interconnection to 300 kW, said Cleveland Sustainability Program Manager Andrew Current.

Insuring equitable rates is another goal of PURPLA and municipal-owned utilities.
Rates won’t likely be affected by alternative energy producers, since they won’t account for a significant percentage of CPP’s power, said Larry Mansueti from the U.S. Department of Energy, who flew in to Cleveland to address the committee.

Mansueti added that the committee is “asking all the right questions” and is keeping pace with other cities looking to connect their muni-owned utility with alternative energy.

CPP’s rule changes should be in line with PUCO’s, added Councilman Mike Dolan, to enable CPP to one day sell green power—maybe from a wind farm in Lake Erie—to a CEI customer.

“CPP has sold power to CEI,” Zigli answered. “So a legal framework already exists to line up a green energy source.”

The details of this and a long list of issues—such as who pays for smart meters, and should net metering apply only to renewable energy producers—will be addressed in the coming months. To read up on the issue and look at the questions facing council, click through the link in the Resources section below.

The public will have an opportunity to weigh in at a workshop on April 18, 2007, and in advance by sending the city your written comments by April 2, 2007. Email your comments to webmaster@clevelandcitycouncil.org. And please be sure to cc webmaster@GreenCityBlueLake.org

Resources
Issues to be addressed by Utilities Committee PURPLA hearings
State-by-state listing of rules for interconnection, smart metering and net metering

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Alt energy connection rules

Marc Lefkowitz says:

The Plain Dealer reported here on Ohio’s progress toward better alternative energy policy. Buried in the middle of the piece is an important comment by PUCO chairman that the commission “will set new connection and metering rules.”

If this comes to pass, it should be interesting to see what it means for small self-generators, like people with solar panels on their home or businesses that want wind turbines. Will investor-owned utilities like FirstEnergy be compelled to revise their policy to allow self-generators to sell power back to the grid at or near retail rates (or rates higher than they are currently)?

And how will PUCO’s rule change influence CPP’s efforts to revise its interconnection and net metering rules?

I put this question to CPP and was told:

"The City Council’s Public Utilities Committee and CPP follow developments in the PUCO’s PURPA process with great interest, particularly as a source of issues to be considered and comment to reflect upon," Sue Norton, Administrative Manager, Regulatory & Compliance at Cleveland Dept. of Public Utilities responded via email. "As with everyone else who has followed this process, we look forward to reviewing a forthcoming order from PUCO. I understand one may be issued in about two weeks."

CPP still hasn’t confirmed the date for a public hearing on revising CPP’s rules, but Norton anticipates it will be in mid-April.

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Stuebi blogs on new CPP coal-burning plant

Marc Lefkowitz says:

Weighing opposition from environmentalists with its future as a power utility, Cleveland Public Power must decide whether it should buy in to the building of a new $2.9 billion coal-fired electricity plant in Southern Ohio. Cleveland Foundation’s energy fellow Richard Stuebi blogs that the move might not be as bad as some have feared, in fact, there are some environmental safeguards and maybe even an air-quality benefit. CPP will not approve the deal if a new, better carbon dioxide scrubber doesn’t pass the test. Also, the new plant comes with a guarantee that a 1950’s vintage Gorsuch coal powerplant will be retired. "Clearly, replacing an old relic with a new plant benefitting from 90% CO2 capture will lead to substantial CO2 emission reductions,
relative to the status quo.”

So, is there a net benefit to the environment in building a huge new power plant, and retiring an old one? Read more here.

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November 26, 2009 - 8:16pm

The Opportunity to Reframe Cleveland’s Energy Question

Jon Eckerle says:

http://www.dispatch.com/live/content/local_news/stories/2009/11/26/AMPpl... (above is a link to the Columbus Dispatch story on the Cancelation of the AMP Ohio Plant)

Friends,

The failure of AMP Ohio plant of which Cleveland was a principle partner is an opportunity to rethink the problem of energy in Cleveland. This was a plant that was going to provide base line power to Cleveland Public Power (CPP), and AMP Ohio for the next 50 years. Its cancellation is a reason to celebrate and an opportunity to change the system. CPP is going to need to derive base line power from somewhere. Can we influence CPP to create a sustainable energy strategy that will not only meet our present power needs, but provide an economic edge in the future?

If we are going to have that edge we need to maximize the assets we have right now. CPP is one of those assets. Let us transform the question, then we can transform the answer. The question should not be, how do we provide base load power? The question should be, how does energy fit the future of Cleveland? This question could be framed in a total energy audit for the city of Cleveland. Not just government, but transportation, commercial, residential, gas and electric.

If we can define the problem in terms that are systemic, then we may be able to develop a plan that paints a picture of a politically viable answer. For instance there is a plan to finance weatherization / insulation of existing structures via property taxes. It solves a lot of problems with long-term cost recovery renovations, credit, etc. In essence the cost is paid for with municipal bonds and spread out over time on your property taxes. Thus the building / property owner is paying for his increase in tapiary his savings on energy and the city/county is repaying the bond. Everybody is near revenue neutral until the bond is paid off. When the bond is paid off we have a very economic and energy efficient city.

The truth is that these systems are mostly based on gas as heat because the focus traditionally, (and rightly so), is on weatherization. What if this system was packaged, with reasonable metrics, as part of a total energy solution. Maybe the pay as you go system could be premised on every participant having a total energy audit and smart metering.

A total energy audit would give every person an awareness of how they are spending their energy dollars. Pumps, motors, windows, insulation, air conditioners, gas, gasoline, electricity and freezers all are the subject of a good audit. Also the audit could develop metrics to help assess how changes in the present building / energy system / behavior could save them money and how much. This could lead to all sorts of societal benefits such as a hyper efficient infrastructure, Urban village energy systems, smart metering, cogeneration and the ability to decrease the need for base load power.

Energy and its costs are going to mark the future. We need to innovate the solutions to this problem, but first we need to define it both on a regional and individual basis. The picture needs to be painted with a very clear brush. It needs to say, “you individually and your community have a big energy problem and this is how much it is costing you. If you do nothing here is how much it is going to cost you now and in the future. Here are a series of solutions and here are their costs and benefits and how it will be financed.”

Financing it via property taxes and presented in a revenue neutral manner makes it possible politically and individually viable. Solve the problem in terms of physical, community, governmental, commercial, economic and social systems. The solutions need to work for the homeowner, the landlord, the office building owner as well as the factory owner and renter.

A system such as this will give us a built in market opportunity. Smart metering provides an opportunity to develop not only local and individual alternative power sources but alternative base load power. If base load power is more expensive then that provides incentives for cogeneration and energy storage systems. It also provides incentives for products and innovations such as a timer on the dryer so it will turn on between 1 am and 5 am. The important thing is to develop the plan and the individual and community energy base line and plan.

Oberlin Ohio ( another AMP community), is debating the value of incentivizing the replacement of inefficient appliances as a way of dealing with a base line energy problem. It also is exploring solar and storage. Building another power plant will solve the base load problem. It does not solve the fact that we are using 30 to 40 % of our total energy in the existing buildings.

Changing the way we use, when we use, how we use, and how we generate energy is the opportunity to make Cleveland, Ohio the most energy efficient city in the Midwest. If our infrastructure is more efficient than another town does that make Cleveland more attractive? If my home is energy efficient is it worth more? If the citizens, government and businesses in my community spend less on energy, will they have more disposable income? Is there a direct community benefit to developing a sustainable energy structure for the city?

Is the failure of the AMP Ohio coal plant an opportunity? I think so. Please pass this idea forward and lets generate some discussion around a community energy plan. I look forward to your comments.

Jon Eckerle