



DATE: October 30, 2019
TO: Council Sustainability Committee
FROM: Director of Public Works
SUBJECT: Approach to Meeting Hayward's 2025 Zero Net Energy Goal

RECOMMENDATION

That the Committee reviews and comments on this report and provides direction to staff.

SUMMARY

This report presents a draft scope of work to hire a consultant to help determine the preferred approach to meeting the City's goal of achieving zero net energy (ZNE) for electricity and natural gas use for the City's portfolio of facilities by 2025.

BACKGROUND

On December 6, 2016, Council adopted Resolution 16-219 (see Attachment II) establishing the goal of achieving ZNE for electricity and natural gas use for the City's portfolio of facilities by 2025. On July 16, 2018, staff presented a report¹ showing that in 2017, the City's renewable energy facilities produced approximately 56% of the electricity consumed by all City facilities, and approximately 45% of the City's total energy consumption (electricity and natural gas, combined).

On July 8, 2019, staff presented² to the Committee the possibility of purchasing from East Bay Community Energy (EBCE) a product that would be 100% renewable and local. During the discussion, staff mentioned that the City may not be able to rely upon the Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) program as much as originally anticipated and that there remains some uncertainty as to how the City will meet the goal of ZNE by 2025. The Committee directed staff to return with a plan of action for meeting the goal.

¹ Report is available at <https://hayward.legistar.com/LegislationDetail.aspx?ID=3551019&GUID=3859A452-BF4B-4C3D-BDA5-D20F843A1F11&Options=&Search=>

² Report is available <https://hayward.legistar.com/LegislationDetail.aspx?ID=4056381&GUID=57B3A8B8-4440-4219-9239-1A8454B78050&Options=&Search=>

DISCUSSION

Staff intends to issue a Request for Proposals (RFP) for the preparation of a ZNE Roadmap, which would include a recommended plan for achieving the City's goal of ZNE by 2025. Staff seeks the Committee's comments on the Scope of Work section of the draft RFP (see Attachment III). The Scope outlines a comprehensive list of tasks associated with determining the most appropriate locations where renewable energy facilities should be installed and the most cost-effective tariff or financing arrangement for each facility. The Scope also calls for responding firms to:

1. Consider future electrical demand related to:
 - a. switching existing appliances and equipment from natural gas-powered to electric; and
 - b. replacing existing gas or diesel City vehicles with electric models.
2. Conduct an analysis of current electricity bills to seek opportunities for savings by determining the most cost-effective tariff for each of Hayward's 400+ accounts and by altering the timing of electricity usage.
3. Consider the potential for micro-grids and/or battery storage on City facilities to improve the City's resiliency to grid disruptions.
4. Consider timing equipment replacements to coincide with scheduled upgrades or end-of-life replacements.
5. Explore financing opportunities including rebates, grants, and incentives that may be secured to assist with the Roadmap's overall economics.

ECONOMIC IMPACT

Development of the ZNE Roadmap will not have a significant impact on the local economy, however, depending on the projects identified and funded, full implementation of the plan would create some local jobs, and potentially reduce energy costs.

STRATEGIC INITIATIVES

This agenda item does not directly relate to one of Council's three Strategic Initiatives.

FISCAL IMPACT

The ZNE Roadmap has a budget of \$50,000 and will be paid from the City's Capital Improvement Plan (CIP) project # 07105 (Solar Power at Various Water Facilities).

SUSTAINABILITY FEATURES

Achieving the City's goal of ZNE for municipal facilities would help the City to meet its General Plan goal of reducing municipal greenhouse gas emissions by 82.5 percent below the 2005 baseline level by 2050 (policy NR-2.5). Additional actions such as electrifying the City's vehicle fleet will be necessary to meet this long-term goal.

NEXT STEPS

Staff anticipates issuing the RFP by the end of November, which would be followed by:

Proposals due	Early January 2020
Proposals Review and Interviews	Late January 2020
Execute Contract and issue Notice to Proceed	Mid February 2020
Roadmap to be Completed	April 2020

Following the completion of the Roadmap, the City may then issue another RFP or a request for bids to implement the Roadmap.

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Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager