

**MINUTES OF THE
POLITICAL SUBDIVISIONS INTERIM COMMITTEE**

Wednesday, October 15, 2014 – 2:30 p.m. – Room 25 House Building

Members Present:

Sen. Daniel W. Thatcher, Senate Chair
Rep. R. Curt Webb, House Chair
Sen. Wayne A. Harper
Sen. Karen Mayne
Sen. Aaron Osmond
Rep. Jerry B. Anderson
Rep. Joel K. Briscoe
Rep. Jon Cox
Rep. Richard A. Greenwood
Rep. Craig Hall
Rep. Earl D. Tanner
Rep. Jennifer M. Seelig
Rep. Jeremy A. Peterson

Members Absent:

President Wayne L. Niederhauser
Rep. Melvin R. Brown
Rep. Kay L. McIff

Staff Present:

Mr. Joseph T. Wade, Policy Analyst
Ms. Victoria Ashby, Associate General Counsel
Ms. Sara J. Thomas, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Webb called the meeting to order at 2:51 p.m.

MOTION: Rep. Anderson moved to approve the minutes of the September 17, 2014, meeting. The motion passed unanimously. Sen. Harper, Sen. Thatcher, Rep. Peterson, Rep. Seelig, and Rep. Tanner were absent for the vote.

2. Community Energy Choice

Rep. Kraig Powell introduced the concept of community choice aggregation, stating that it allows local governments to enter into contracts with sustainable energy producers to purchase energy and have it delivered through a traditional network of distribution. He explained that this allows local governments greater flexibility in the provision of energy to residents. He referred the committee to 2014 General Session 1st Substitute H.B. 110, "Renewable Energy Amendments."

Mr. Roger Armstrong, Summit County Council, emphasized the importance of sustainable energy to Summit County. He explained that Summit County citizens have expressed interest in having sustainable energy options. Mr. Armstrong described a recent program called Summit Community Solar in which Summit County partnered with Utah Clean Energy, Park City, and a solar provider to allow residents an opportunity to aggregate their buying power in order to purchase solar panels for their homes. Noting that community choice aggregation models have already been adopted in six states, Mr. Armstrong described how these models function. He explained that counties form an energy authority that negotiates contracts with renewable and traditional sources of electric power and residents elect which provider they will use. He described the benefits of community choice aggregation.

Ms. Ann Ober, Senior Policy Advisor, Park City, outlined why community choice aggregation is important to Park City's tourism economy. She explained that Park City has applied for a grant that would allow the city to explore how community choice aggregation could be done in Utah's regulatory model and that would provide valuable information for moving forward with legislation. Ms. Ober

acknowledged the cooperation of Rocky Mountain Power in the ongoing study of community choice aggregation and responded to questions from the committee.

Mr. Tyler Poulson, Sustainability Program Manager, Salt Lake City Corporation, discussed the unique appeal of renewable energy. He explained how community choice aggregation has the potential to allow more residents to utilize renewable energy without supplanting fossil fuels as a primary energy source.

Ms. Shawn Marshall, Director, Lean Energy U.S., presented "Community Choice Aggregation: A Local Energy Model to Improve Air Quality, Boost the Economy, Create Competition, and Offer Consumer Choice." She explained that community choice aggregation creates a functional partnership between municipalities and investor-owned utilities and can result in lower electricity rates, new jobs, and cleaner air. Reviewing the basic program mechanics of community choice aggregation, Ms. Marshall explained that it is an opt-out program where customers are automatically enrolled after a robust public marketing campaign and vote of the elected body. She reviewed the risks and how they are mitigated and responded to questions from the committee.

Rep. Powell concluded by reviewing the benefits of community choice aggregation to consumers, industry, and local air quality.

3. Annual Report from Utah's Seven Associations of Governments

Mr. Russell Cowley, Executive Director, Six County Association of Governments, distributed and summarized "Utah's Associations of Governments: Regional Collaborations, Solutions and Strategies to Achieve Local Results," "Utah's Association of Governments Statewide Services Summary," "Snapshot of Utah's Regional Associations of Governments (AOGs) - October 2014," and "Utah Associations of Governments 2014 Contact Information." He introduced other executive directors and representatives from associations of governments in attendance and briefly discussed rural issues facing associations of governments.

Mr. Andrew Jackson, Executive Director, Mountainland Association of Governments, provided a brief history of Utah's seven associations of governments and outlined urban issues these associations confront, particularly transportation planning. He responded to questions from the committee regarding risk management and federal funding for the associations.

4. Quality Growth Commission Annual Report

Mr. Reed Erickson, Vice Chair, Quality Growth Commission, explained that the Quality Growth Commission provides rural communities with needed planning expertise, advises the Legislature and governor on growth management issues, and conserves critical lands by administering the LeRay McAllister Critical Land Conservation Fund. He noted that lack of funding has inhibited the commission's ability to carry out its functions.

Mr. John Bennett, Executive Director, Quality Growth Commission, distributed "LeRay McAllister Funds By County" and "LeRay McAllister Critical Land Conservation Program" and presented "Growth Management in Utah." He reviewed the makeup of the commission and described how the LeRay McAllister Critical Land Conservation Fund operates. Mr. Bennett informed the committee that the money remaining in the LeRay McAllister Critical Land Conservation Fund is committed to paying off existing grants and that no new funds have been appropriated since 2010. He highlighted some of the past accomplishments of the commission, including preserving or restoring over 80,000 acres in Utah. He

explained that without a new appropriation from the Legislature, the commission will not be able to operate as it has previously. He responded to questions from the committee.

5. Other Items / Adjourn

Chair Webb adjourned the meeting at 4:33 p.m.