

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Climate Recovery Targets and Benchmarks

Meeting Date: November 23, 2015
Department: Central Services
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Agenda Item Number:
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ISSUE STATEMENT

This is a work session to present targets and benchmarks for reaching the climate action goals outlined in the Climate Recovery Ordinance adopted in July 2014.

BACKGROUND

Climate Recovery Ordinance

Adopted by council in July 2014, the Climate Recovery Ordinance:

- 1) Clarifies and codifies existing *internal* and *community* greenhouse gas and fossil fuel goals:
 - a. Reduce total community-wide fossil fuel use 50% from 2010 levels by 2030.
 - b. By the year 2020, all city-owned facilities and city operations shall be carbon neutral.
- 2) Calls for a full assessment of current efforts to meet internal and community climate goals.
- 3) Calls for the development of a science-based community greenhouse gas reduction goal for Council consideration.
- 4) Calls for regular progress reports to Council.
- 5) Establishes a process of analysis, reporting, and readjustment if *community* or *internal* targets are not met.

Targets and Benchmarks for Adopted Goals

The Climate Recovery Ordinance requires City Council to establish numerical targets and benchmarks for reaching the climate action goals specified in the ordinance. The following numerical targets are accompanied by one and five-year benchmarks to help track progress toward the goals and all are calculated relative to the emissions in 2010, the baseline year.

Internal carbon neutral goal: The target is defined as reaching 60% reduction in operational emissions by 2020, with the annual purchase of carbon offsets for the remaining 40% starting in 2020. Between 2016-2020, the City will need to reduce emissions each year by roughly 15%. The target applies to emissions from gas and diesel fuels, natural gas and electricity use.

Supply chain emissions: A separate target is proposed for reducing the emissions associated with the City's purchase of goods and services (supply chain emissions). The proposed target is a reduction of 50% by 2025. The benchmarks for reaching this target do not begin until 2020 to

allow for improvements in data and tracking of these carbon emissions by vendors/contractors. Similarly, the purchase of offsets for any remaining supply chain emissions would not begin until 2025.

Community fossil fuel goal: The target applies both to city operations and the community at large for the use of gasoline and diesel, natural gas and the portion of electricity generated from fossil fuels. The target mirrors the goal established in the ordinance: 50% reduction of fossil fuel use by the year 2030.

Proposed Targets and Benchmarks

Goal	Target (in GHGs)	Benchmark
Carbon neutral operations	60% reduction* by 2020	Annual: 15% reduction per year 5 year: 60% reduction by 2020
Internal supply chain emissions	50% reduction* by 2025	Annual: 10% reduction per year starting in 2020 5 year: 50% reduction by 2025
Reduce fossil fuels 50%	50% reduction* by 2030. Note: some reductions have already been achieved since 2010.	Annual: 2.5% reduction per year 2020: 25% reduction 2025: 38% reduction 2030: 50% reduction

*relative to emissions in 2010, the baseline year.

TRIPLE BOTTOM LINE IMPACTS

The specific strategies for reaching the Climate Recovery benchmarks and targets are still under development and more detailed triple bottom line impacts will be analyzed as these take shape. Some of the potential impacts are identified below for each of the two goals codified through the Climate Recovery Ordinance.

Carbon Neutral by 2020

Assumptions:

- Broad scale changes in fleet and fuel technology
- Improved building and infrastructure energy efficiency
- Adequate availability of renewable electricity to accommodate the transition
- Widespread electrification of buildings and fleets
- Any carbon offsets purchased would be prioritized toward local projects

Potential impacts to the organization:

- Shifting to renewable electricity, conserving energy, and increasing energy efficiency insulates the organization from volatile fossil fuel prices and a potential price on carbon (carbon tax or cap and trade policy).
- Renewable electricity provides greater local control and availability of energy during a power disruption stemming from a natural or human caused hazard event.

- Significant emissions reductions will likely take a long time to payback before the organization experiences ongoing savings. During the payback period, capital funds may not be available for other purposes.
- Purchased carbon offsets could come at an opportunity cost for other organizational and community priorities – depending on how offsets are funded.

Potential impacts to community:

- Because City operations are a relatively small piece of community wide energy use and greenhouse gas emissions, the community-wide effect of achieving the target is relatively small.
- Reducing fossil fuel consumption in City vehicles would improve health outcomes due to improved air quality and reduced noise.
- Retrofitting buildings for energy efficiency is likely to employ local workers.
- To the extent the City is a purchaser of green products or services, it supports local businesses in expanding those products or services and providing them to others.
- With some climate disruption already in process, the costs of a warming climate would be significant. Impacts on local forests and local fisheries will have extreme negative impacts on the local economy. Additional costs are expected for extreme heat events (air conditioning and health care).

Reduce Community Fossil Fuel Use 50% by 2030

Assumptions:

- Broad scale changes in fleet and fuel technology
- Improved building energy efficiency (residential, commercial, industrial)
- Widespread electrification of buildings and fleets
- Adequate availability of renewable electricity to accommodate the transition
- Transition includes involvement and investments made by partners and institutions across the community
- Partner organizations make similar goals and commitments
- Fossil fuel reduction efforts continue out beyond 2030 at the same rate of reduction (2.5%/year)
- The community experiences some level of climate disruption

Potential impacts to community:

- The fossil fuel reduction goal, even if achieved by the global community, is not adequate to avoid major climate impacts.
- Conserving energy through increased energy efficiency saves residents and businesses money and insulates community members from volatile fossil fuel prices and potential price on carbon (carbon tax or cap and trade policy).
- An emphasis on compact urban development near transit corridors provides an opportunity for reducing automobile travel and the related greenhouse gas emissions. Planning for affordable housing in these areas benefits low-income households who often must trade-off housing and transportation costs by locating in the outer reaches of the community.

- Increased use of active modes of transportation improves health outcomes and saves residents money.
- Weatherization programs improve comfort and health outcomes for lower-income residents due to improved indoor environments.
- With some climate disruption already in process, the costs of a warming climate could be significant. Impacts on local forests and local fisheries will have extreme negative impacts on the local economy. Additional costs are expected for extreme heat events (air conditioning and health care).

RELATED CITY POLICIES

The City maintains a number of policies directly related to community-wide energy consumption including, but not limited to:

- Growth Management Policies
- Green Building Policy (2006)
- Sustainability Resolution (2000)
- Environmental Policy
- Sustainable Practices Resolution (2006)
- Sustainable Procurement Policy (2008)

COUNCIL OPTIONS

1. Adopt proposed targets and benchmarks
2. Request changes to proposed targets and benchmarks
3. Request further information

CITY MANAGER'S RECOMMENDATION

Direct the city Manager to draft a resolution to adopt proposed targets and benchmarks for existing climate recovery goals.

ATTACHMENTS

- A. Climate Recovery Ordinance

FOR MORE INFORMATION

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