CITY OF SAINT PETER, MINNESOTA
AGENDA AND NOTICE OF MEETING

City Council Workshop Session of Monday, April 6, 2020
5:30 p.m.
This meeting will be conducted electronically - See below for electronic access.

I. CALL TO ORDER

II. DISCUSSION

A. Green Steps Program Update
B. SMMPA Update – SMMPA 2.0
C. COVID-19 update

III. ADJOURNMENT

As provided for in M.S. 13D.021, City Council meetings may be conducted by telephone or other electronic means under certain conditions. This meeting of the City Council will only be accessible electronically using GoToMeeting software which is available at no charge (link below) or by calling as indicated below. This works best utilizing Google Chrome or Microsoft Edge as your browser. Here is the information necessary to access the meeting electronically:

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Access Code: 591-790-045

CITY OF Saint Peter
WHERE HISTORY & PROGRESS MEET

Memorandum

TO: Honorable Mayor Zieman
Members of the City Council

DATE: 4/3/2020

FROM: Todd Prafke
City Administrator

RE: GreenSteps Program Update

ACTION/RECOMMENDATION

None needed. For Council information and discussion only.

BACKGROUND

Monday evening's workshop will begin with an update on the City's participation in the GreenSteps program.

GreenStep is a voluntary assistance and recognition program developed by the League of Minnesota Cities to help member cities achieve sustainability and quality-of-life goals. The program is free and is based upon a menu of 29 optional best practices which can be implemented by participating cities. The actions are focused on cost savings, energy use reduction and encouraging civic innovation.

As part of the workshop, Kayode Adiatu, the City's intern who has been working on this program since 2019, will provide information on the progress the City has made since becoming involved in the program.

We have attached some data about your Green Steps Profile that outlines the work that you have undertaken.

My goals for your discussion at the workshop include:

- Provide an update on K's work through the 29 Steps
- Discuss the impact of this program and its use into the future.

I see this as a springboard for the sustainability planning some of you have asked to discuss.

Please feel free to contact me if you have any questions or concerns about this agenda item.

TP/bal

CITY OF Saint Peter
WHERE HISTORY & PROGRESS MEET

Minnesota
GreenStep Cities

3

GreenStep Cities Program Report

https://greenstep.pca.state.mn.us/city-detail/12430

Brief Reminder.....

Upon adoption of the GreenStep resolution on the 12th day of August 2019 by the City Council of the City of Saint Peter, Minnesota GreenStep Program officially kicked off in the City.

The Minnesota GreenStep Program is a voluntary challenge, assistance and recognition program to help cities achieve their sustainability and quality-of-life goals. The program with over 100 participants in Minnesota seeks to motivate cities to record their milestones and receive recognition and certification.

These best practices are grouped under 5 main categories;

- Building and Lighting
- Land Use
- Transportation
- Environmental Management and
- Economic and Community Development

Council Resolution Adopted - Step One

- On the 22nd day of August 2019, the City of Saint Peter officially became the 130th City to join the GreenStep Program and became a Step One City by virtue of resolution adoption.

Minnesota
GreenStep Cities

- In its continued effort to soar even higher, the City has since been demonstrating local commitment through reporting past sustainable actions and finding knowledgeable assistance for taking future actions.

Demonstrated City's commitment-Step Two

Minnesota GreenStep Cities

Although not official yet, the city has been tipped as a **Step Two** City having implemented and documented 12 sustainable actions covering but not limited to 3 best practices;

- **BP.4** Lighting/Signal: 4.7 COMPLETE @ 3 STARS - all city-owned parking lot lights and lights outside the buildings are LEDs

6

- **BP.6** Comprehensive Plan: 6.1 COMPLETE @ 1 STAR - last comprehensive plan was updated in 2016; 10-year updates.

- **BP.8** Mixed Uses: 8.1 COMPLETE @ 3 STARS - 1999 MN Design Team Charrette; current DT commercial project with ground floor space and residential use on top.
- 8.2 COMPLETE @ 1 STAR
- 8.3 COMPLETE @ 1 STAR

High-Impact Actions are being recorded-Step 3

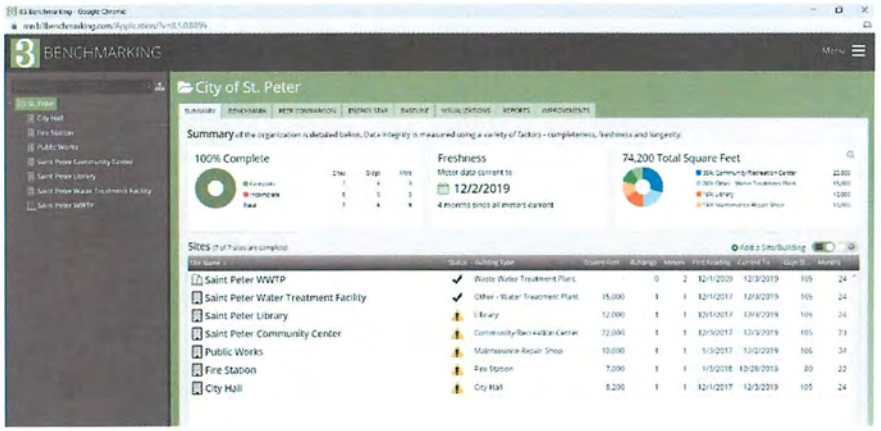
Minnesota GreenStep Cities

Minimums for Step 3 GreenStep Recognition		City Category C	City Category B	City Category A
Buildings & Lighting				
1	Efficient Existing Public Buildings	*any one Best Practice (BP)*	***BP 1 and one other BP***	***BP 1 and one other BP***
2	Efficient Existing Private Buildings			
3	New Green Buildings			
4	Efficient Outdoor Lighting and Signals			
5	Building Reuse			
Land Use				
6	Comprehensive Planning & Implementation	***BP 6***	***Best Practice 6 and one other BP***	***Best Practice 6 and one other BP***
7	Efficient City Growth			
8	Mixed Uses			
9	Efficient Highway-Oriented Development			
10	Conservation Design			
Transportation				
11	Living Streets	*any one BP*	*any one BP*	***BP 11 and 12***
12	Mobility Options			
13	Efficient City Fleets			
14	Demand-Side Travel Planning			
Environmental Management				
15	Sustainable Purchasing	***BP 15***	***BP 15 & 16 & one other BP***	***BP 15 , 16, 17 and one other BP***
16	Urban Forests			
17	Stormwater Management			
18	Parks & Trails			
19	Surface Water Quality			
20	Efficient Water & Wastewater Facilities			

MN B3 Benchmarking

The City of Saint Peter has launched the MN B3 Benchmarking software which allows the city to store, monitor and compare monthly energy and water use data.

Using basic building and meter information, this online tool summarizes energy consumption, costs, and carbon emissions in easily digestible monthly and annual reports for Minnesota public buildings.



MN B3 Benchmarking……

The B3 Benchmarking is funded by the MN Departments of Commerce and Administration, B3 Benchmarking puts the power of public building energy data in the hands of Minnesota public building owners to manage and reduce energy costs.

The city of Saint Peter has been computing energy and water data on the software.

Summary.....

- In total, the city has completed 48 sustainable actions under 5 best practices namely;
- Buildings and Lighting
- Land Use
- Transportation
- Environmental Management
- Resilient Economic and Community Development

Summary..... contd

These 48 actions qualify the City of Saint Peter as a **Step Three** city but due to the busy schedule of the GreenStep coordinator, we are yet to receive a confirmation for **Step Three.**

However, each June at its annual conference, the League of Minnesota Cities (LMC) formally recognizes GreenStep Cities and their level of achievement and we believe that the City will receive its recognition during the conference.

GreenStep Project Continues....Step 4

In order to receive Step 4 or 5 recognition, city of Saint Peter will begin to record all of the CORE metrics listed on the GreenStep website "Step along with a handful of additional metrics chosen by the city.

Every element within a metric will be completed in order for a metric to be completed for Step 4 recognition.

The city will continue to show improvement to attain Step 5 status

CITY OF Saint Peter
WHERE HISTORY & PROGRESS MEET

Memorandum

TO: Honorable Mayor Zieman
Members of the City Council

DATE: 4/1/2020

FROM: Todd Prafke
City Administrator

RE: SMMPA Update – SMMPA 2.0

ACTION/RECOMMENDATION

None needed. For Council information and discussion only.

BACKGROUND

Chris Schoenherr from Southern Minnesota Municipal Power Association (SMMPA) will be participating in the Council workshop on Monday evening to provide an update on SMMPA and to kick off for the City Council, what the organization has deemed "SMMPA 2.0".

We have some great information that is attached to this memo and will hope to show a video that we will be share on our public information platforms.

My goals for your discussion at the workshop include:

- Updating you on the work that SMMPA is doing for your utility relative to sustainability and promotion of that work.
- Provide information on how that works within our community and the work we should continue to share.

Please feel free to contact me if you have any questions or concerns about this agenda item.

TP/bal

Southern Minnesota Municipal Power Agency
Your Partner for a Bright Energy Future

NEWS RELEASE

For Immediate Release
February 5, 2020

SMMPA plans to be 80% carbon-free in 2030

Agency will reduce CO2 emissions by 90% over 2005 levels

Southern Minnesota Municipal Power Agency (SMMPA) today announced its plan to reshape its generation portfolio through the retirement of the Sherco 3 coal-fired power plant and replace it primarily with wind and solar generation. The plan would result in a 90% reduction in CO2 emissions from 2005 levels and 80% carbon-free energy on an annual basis in 2030. "We have a unique opportunity to reimagine SMMPA and are excited to take the Agency in this new direction," said Dave Geschwind, Executive Director and CEO. "We will be taking our commitment to sustainability to a new level while maintaining our legacy of reliability and affordability."

SMMPA currently owns 41% of the 900-megawatt Sherco 3 coal-fired generating unit located in Becker, Minnesota. Sherco 3's majority owner, Xcel Energy, announced plans in 2019 to retire the plant in 2030. SMMPA expects all its outstanding debt on Sherco 3 will be paid off in 2027.

Natural gas and other non-coal fossil-fueled generation will continue to play an important role in maintaining reliability for SMMPA's members. The Agency expects these facilities to provide a relatively small percentage of its energy needs on an annual basis, but to continue to facilitate the increase in intermittent renewable resources, like wind and solar, while maintaining reliability and affordability.

"SMMPA's member communities support this strategic initiative to reduce carbon emissions," said Joe Hoffman, SMMPA Board President and Preston Public Utilities general manager. "We are excited about capturing this opportunity to address important environmental objectives while maintaining an affordable energy supply."

Geschwind cautions that there are still important decisions to be made. "While we are optimistic that technological breakthroughs are on the horizon, the cost of achieving the last 10-20% reduction in carbon emissions in the power sector is currently projected to be prohibitively high with today's technology. We believe society will need to evaluate whether further reductions beyond 80% in this sector are the most economic and practical path to deep carbon reductions economy-wide."

more

Southern Minnesota Municipal Power Agency / 500 First Avenue SW / Rochester, MN 55902 / 507-285-0478 / www.smmpa.com

In outlining its strategic direction, SMMPA also highlighted the potential of beneficial electrification in applications like electric vehicles (EV) as well as energy efficiency to be important elements of meeting societal sustainability goals.

In November 2019, SMMPA announced plans to create an "EV Charging Network" connecting its member communities. SMMPA's energy efficiency programs have been recognized four times with ENERGY STAR® Awards from the Environmental Protection Agency.

Geschwind says SMMPA will need the support of the member communities, elected officials and SMMPA staff to successfully implement the plan. He also urges policymakers to provide utilities with flexibility and to resist one-size-fits-all mandates where there is clear evidence our industry is already moving to meet public policy goals.

SMMPA understands this transformation will not happen overnight and will not be easy. Nonetheless, the Agency says it will strive to keep its rates competitive and limit wholesale rate increases to levels at or below the rate of inflation during the transition.

As it launches this strategic initiative the Agency labels as "SMMPA 2.0", it is adopting a new logo and tag line - "Your Partner for a Bright Energy Future."

"We are proud of our past and honor the successes achieved by SMMPA for the over forty years we've been in existence," said Geschwind. "We are building on that legacy but also recognize this is a turning point for our organization. The new logo and tag line capture that spirit and our excitement as we begin this new strategic journey."

To learn more about SMMPA's strategic initiative, please see www.smmpa.com/SMMPA2.0

About SMMPA

SMMPA provides electricity and related services to 18 municipally operated utilities, mostly in south-central and southeastern Minnesota. For more information about SMMPA, please visit www.smmpa.com.

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cp.schoenherr@smmpa.org

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% Renewable vs. % Carbon-Free Calculation Methodologies

	25% Renewable	50% Renewable	72% Renewable	75% Renewable	100% Renewable
	Stoneray and Lemond	125MW Solar and 125MW Wind	180MW Solar and 180MW Wind	187MW Solar and 187MW Wind	250MW Solar and 250MW Wind
% Renewable	27%	50%	72%	75%	99%
% Carbon Free (Based on Generation)	93%	96%	97%	97%	98%
% Carbon Free (Based on Load, Renewable Method)	35%	58%	80%	83%	107%
% Carbon Free (Based on Load, includes MISO)	54%	68%	76%	76%	80%
% Carbon Reduction from 2005 (IRP Method)	80%	86%	90%	90%	91%
% Carbon Reduction from 2005 (SMMPA Gen Only)	99%	99%	99%	99%	99%

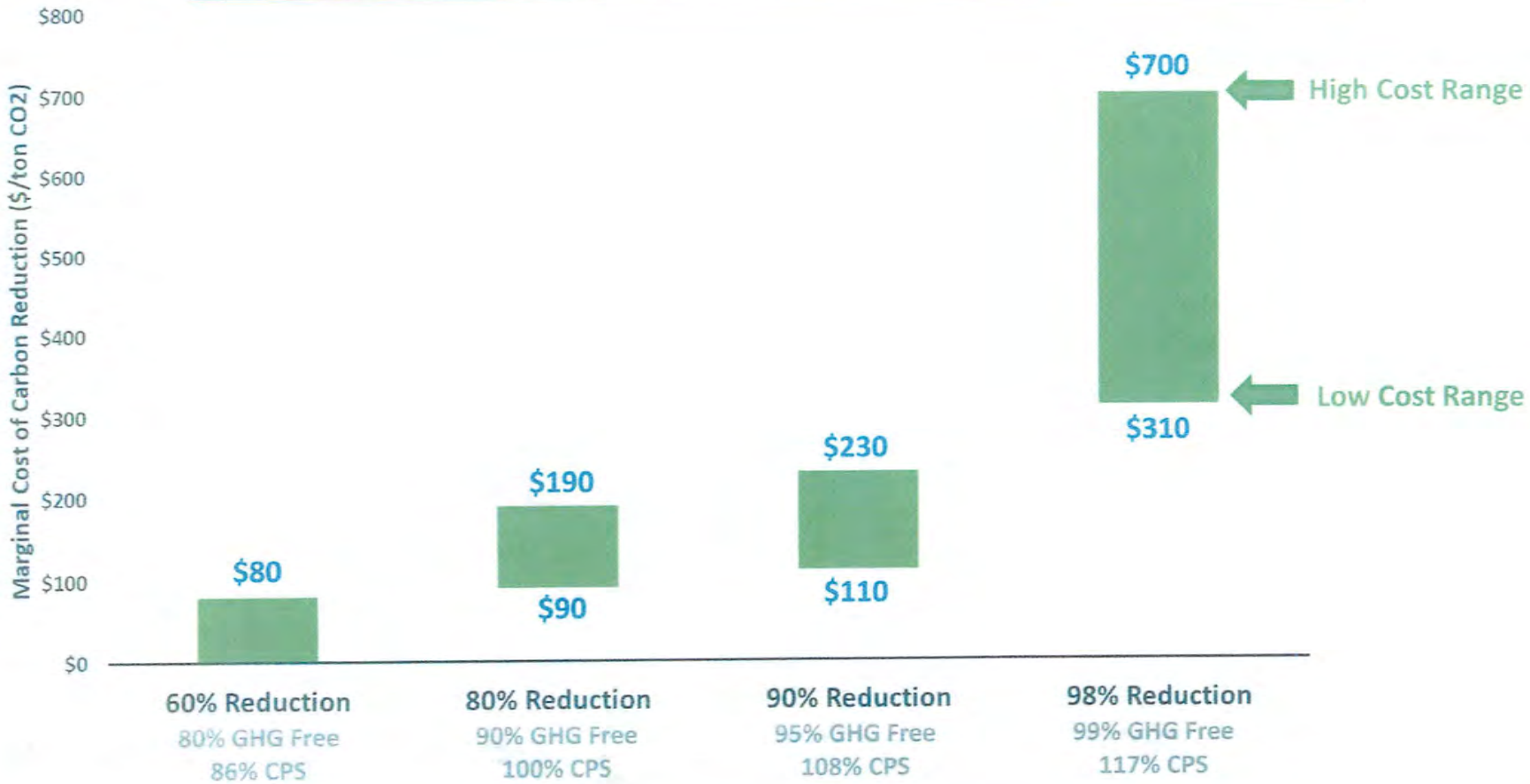
SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY

Renewable and Carbon Calculation Methodologies

- **% Renewable** = SMMPA total annual renewable energy produced divided by SMMPA total annual load
- **% Carbon Free based on generation** = total energy from SMMPA zero-carbon resources divided by total energy from all SMMPA resources
- **% Carbon Free based on load (using % renewable method)** = SMMPA total annual renewable energy produced plus WAPA, divided by SMMPA total annual load
- **% Carbon Free based on load (includes MISO)** = energy from SMMPA zero-carbon resources used to serve SMMPA load (excludes excess sales to MISO) plus energy purchased from MISO times the zero-carbon percentage of the MISO pool, divided by SMMPA total load
- **% Carbon Reduction from 2005 (IRP method)** = tons of carbon produced by SMMPA resources minus tons of carbon at the SMMPA average ton/MWh rate for net energy sold to MISO, plus tons of carbon at the MISO average ton/MWH rate for energy purchased from MISO, compared to 2005 levels calculated using the same methodology
- **% Carbon Reduction from 2005 (SMMPA gen. only)** = tons of carbon produced by SMMPA resources only compared to 2005 levels using the same methodology

Marginal Cost of GHG Reduction

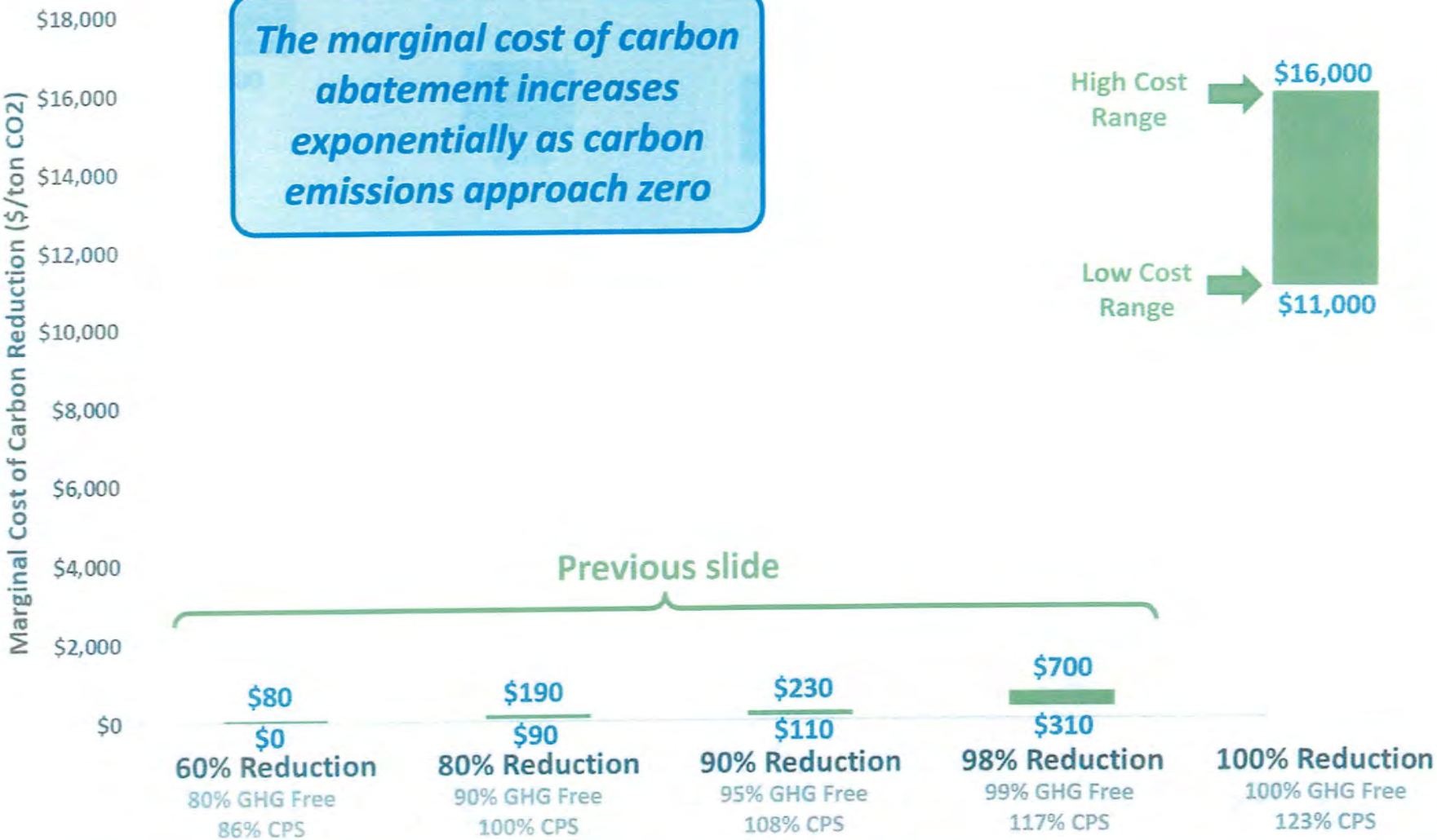
E3 studies show that 90% carbon reductions can be achieved at a cost below $200 per ton in most locations



[1] https://19january2017snapshot.epa.gov/climatechange/social-cost-carbon_.html; https://www.nature.com/articles/s41558-018-0282-y

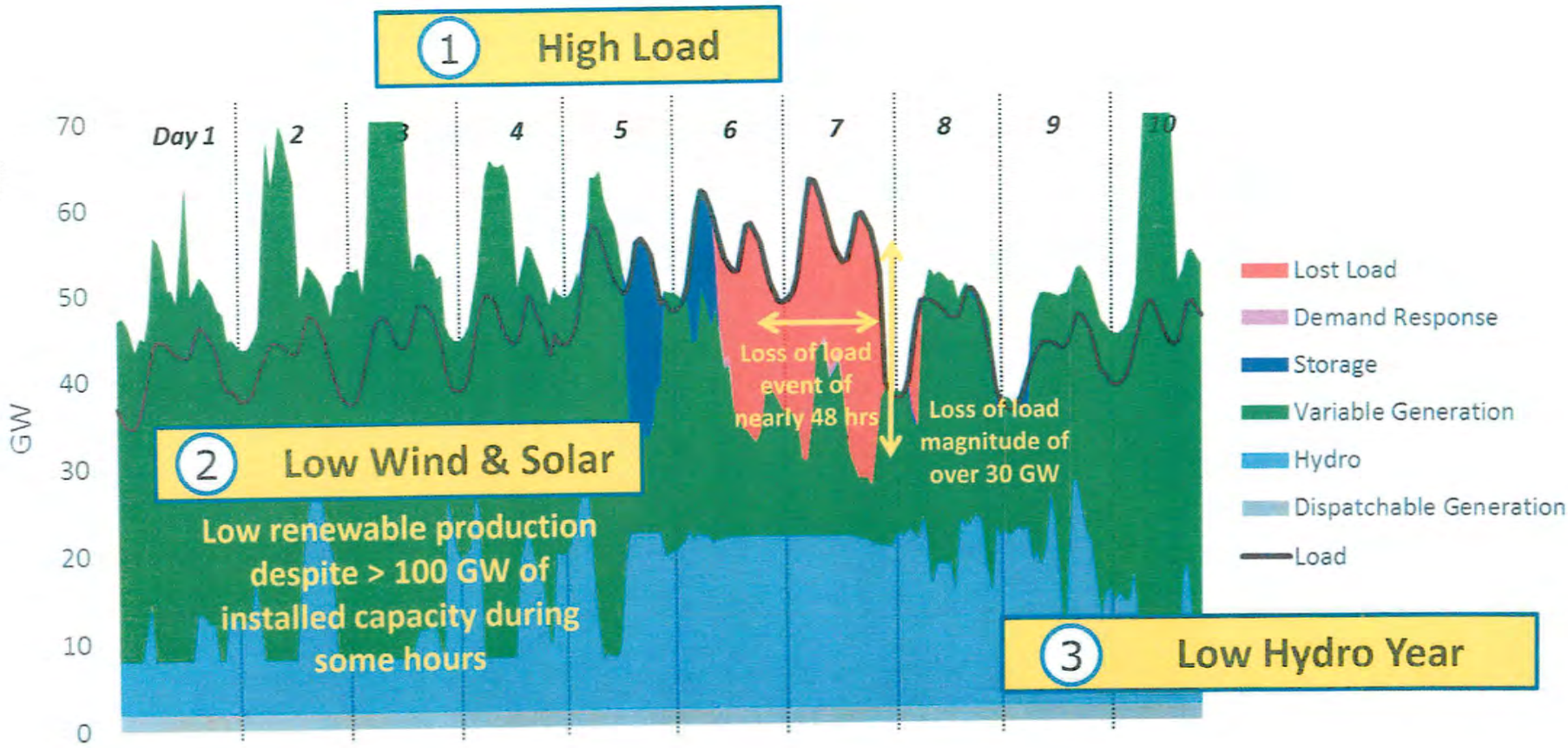
Marginal Cost of GHG Reduction

The marginal cost of carbon abatement increases exponentially as carbon emissions approach zero



Three Reliability Challenges on a Deeply-Decarbonized Grid

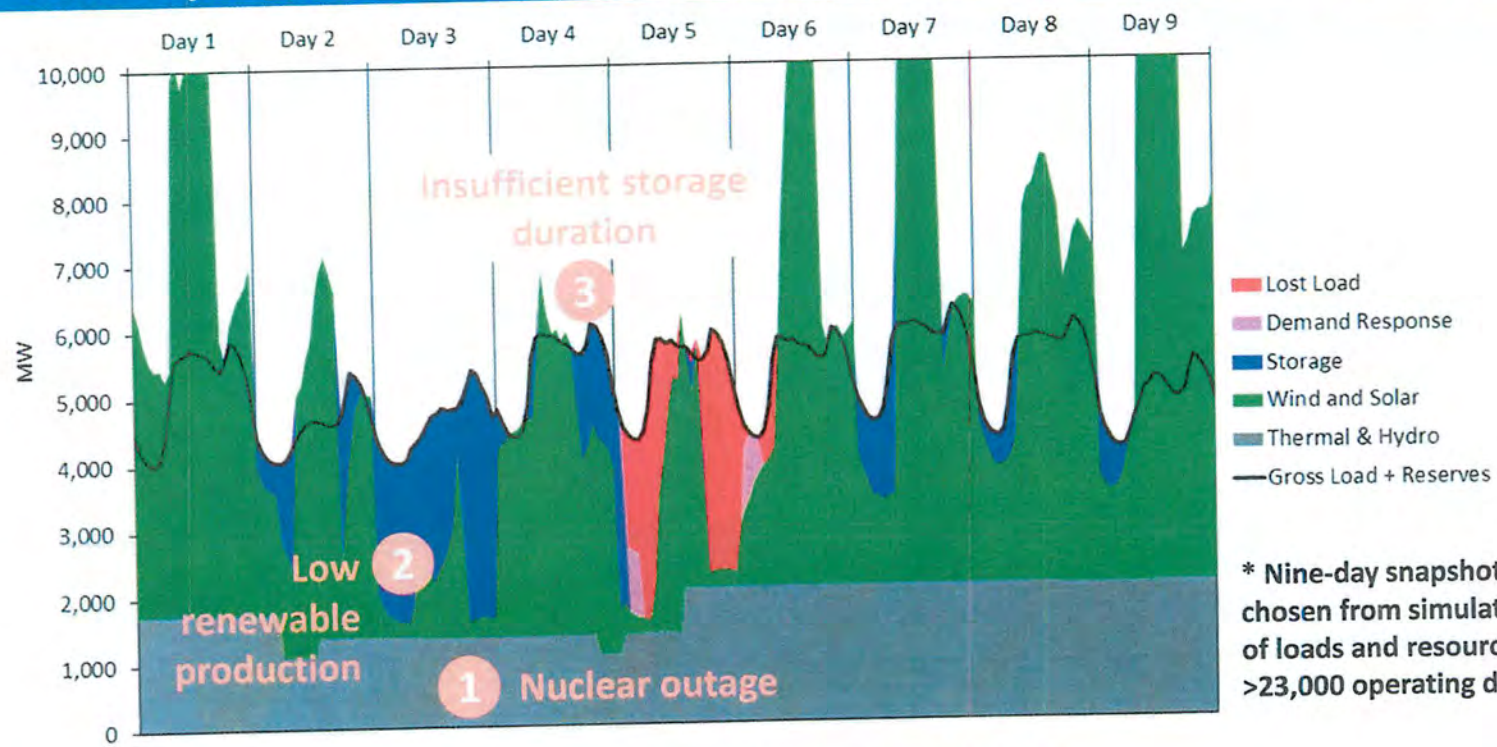
+ The most challenging conditions in a deeply-decarbonized Pacific Northwest grid is when a multi-day cold snap occurs during a low-water year



Anatomy of a Reliability Event in 100% GHG Reduction Portfolio

+ **On a system that relies predominantly on variable resources & storage to meet reliability needs, reliability events result from sustained energy shortages—not peak needs**

Nine-Day Snapshot* of Resource Availability, 100% GHG Reduction Scenario



* Nine-day snapshot chosen from simulation of loads and resources on >23,000 operating days

DRAFT RESULTS

CITY OF Saint Peter
WHERE HISTORY & PROGRESS MEET

Memorandum

TO: Honorable Mayor Zieman
Members of the City Council

DATE: 4/3/2020

FROM: Todd Prafke
City Administrator

RE: COVID-19 Update

ACTION/RECOMMENDATION

None needed. For Council information and discussion only.

BACKGROUND

During the State and Local declared emergency it is my hope to give members an update and what some might call a "laundry list" of things related to COVID-19 and hit some high points on what we know, what we are doing, and what we should be looking forward or planning on.

My goals for your discussion at the workshop include:

- Updating you on what might be viewed as important issues that we are aware of about the community. Closures, openings, activities, and cooperative efforts all fall into this category.
- Updating you on the City organization. This is the internal stuff like policies, workloads, City activities, projects and programs.
- Looking forward at the impact on community and whether there are things we are missing, gaps that need to be filled, and/or information that needs to be provided either to you or the broader community while also looking forward on the plan that you (City) have for work for the rest of the year and updating you with our thoughts on those and seeking your input and direction on those.

We are working on developing a type of check list or summary document that can provide some additional consistent and helpful information as this agenda item is likely to be reoccurring. It wasn't ready to go by the packet deadline, but I may have it ready before your meeting. If I do it will come to you separately.

Please feel free to contact me if you have any questions or concerns about this agenda item.

TP/bal