

# ENERGY AGENDA

## 2020 Huntsville/Madison Agenda

To members of public, city council members, county commissioners, mayors and municipal leaders:

Thank you for your leadership in sustainable energy, pushing the Huntsville/Madison County area to ever greater heights. With your support, our area will lead Alabama and the Southeast in the transition to sustainable energy and capturing its economic, social, and environmental benefits.

This document contains a brief overview of the most critical local issues in sustainable energy that, if solved, provide a critical leap forward in Huntsville/Madison County's growth.

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### Openness and Transparency in Utility Rate Making |

Public utilities have a duty to serve all customers fairly and equitably. Huntsville Utilities and local governments should provide meaningful opportunities for members of the public to participate in utility rate making and other actions that require approval from governmental authorities.

## Requested Actions:

- Require Huntsville Utilities to follow the Public Utility Regulatory Policies Act of 1978 (PURPA) which would allow:
    - Ratepayers to discover and present their own evidence.
    - Ratepayers to receive determinations from City Council on their evidence.
    - City Council to make 19 written determinations on policies of public interest as defined by PURPA.
  - Require Huntsville Utilities to make requisite investments in energy efficiency and renewable energy at the time of a rate increase to help offset the impact of the increase, especially on the community's most vulnerable citizens.
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## Joining the U.S. Department of Energy's Better Buildings Challenge |

Better Buildings is an initiative of the U.S. Department of Energy (DOE) designed to improve the lives of the American people by driving leadership in energy innovation. DOE partners with leaders in the public and private sectors to make the nation's buildings and plants more energy efficient by accelerating investment and sharing successful best practices.

Energy Alabama, Avion Solutions, Inc., and Energy Huntsville jointly founded the Huntsville Better Buildings Challenge in 2015, later renamed the North Alabama Buildings Performance Challenge in late 2016. The Challenge helps participating commercial buildings save at least 20% energy within 10 years. In order to be an official partner of the U.S. DOE, action from a municipality is required.

## Requested Actions:

- Huntsville, Madison and other municipalities independently join the U.S. DOE's Better Buildings Challenge.
- Huntsville, Madison and other municipalities adopt the framework of the North Alabama Buildings Performance Challenge.
- Huntsville, Madison and other municipalities benchmark all public buildings and make data available through the North Alabama Buildings Performance Challenge.

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## Disclosure of Commercial Building Energy Performance |

The building sector is the single largest user of energy in the United States, accounting for 40 percent of total energy consumption, more than industry or transportation. Each year, Huntsville/Madison County spends over \$400 million<sup>1</sup> on energy for our buildings.

Diverse, market-based public policies can significantly cut energy waste and boost buildings' efficiency. Innovative cities and counties across the country are turning to energy benchmarking ordinances requiring building owners and operators to disclose their buildings' performance. Most importantly, energy performance disclosure policies allow buyers and sellers to make better decisions in the marketplace and drive demand for better performing buildings and their related economic benefits.

### Requested Actions:

- Huntsville, Madison and other municipalities pass a comprehensive energy performance disclosure ordinance in line with other municipalities across the country to include:
  - Coverage of all commercial buildings larger than 50,000 sq. ft.
  - An appropriate start up time of 2 years in order to educate the market.
  - A publicly available database of performance data.
  - A consumer friendly and public-facing, conspicuous scorecard, modeled after the health score a restaurant receives.

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## Minimum Energy Performance on Rental Housing

Many municipalities struggle to control slumlords who take advantage of some of the community's most disadvantaged residents. Above and beyond safe and healthy living conditions, many people unfortunately find themselves renting homes whose energy performance is poor enough to cause utility bills to consistently be larger than rent and have no recourse with which to rectify the situation.

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<sup>1</sup> "City of Huntsville Financial Statements," Huntsville Utilities, September 30, 2019, <https://www.hsvutil.org/ac/wp-content/uploads/2020/03/Huntsville-Utilities-Financial-Statements-2019-CRI-final-modified-002.pdf>. Accessed April 18, 2020.

## Requested Actions:

- Enact a rental ordinance modeled after other successful rental ordinances in Alabama, such as Gadsden and Gulf Shores, in order to give the municipality insight into the rental stock and better track systemic abuses.
- Add provisions to require minimum energy performance to include:
  - Upon complaint by a resident, Huntsville Utilities will determine if the property is in the top quartile for weather adjusted consumption in the neighborhood. If so, the landlord shall be required to improve the energy performance until the home is no longer in the top quartile of the neighborhood.
  - Expressly disallow the use of heat-strips or auxiliary heating as the primary heating source for any home within the jurisdiction.