



# City of Denton

City Hall  
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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Denton Municipal Electric

**CM/ DCM/ ACM:** Todd Hileman

**DATE:** September 19, 2017

### **SUBJECT**

Consider adoption of a resolution approving the City of Denton's GreenSense Incentive Program, the GreenSense Incentive Program Manual, and Distributed Generation Manual for FY 2017-18; and providing for an effective date. The PUB recommends approval (5-0).

### **BACKGROUND**

Denton Municipal Electric customers that choose to invest in energy efficiency and conservation upgrades on their property may be eligible to participate in the City's GreenSense Incentive Program, which offers billing credits and cash rebates for a variety of upgrades. The current GreenSense Incentive Program includes: energy efficiency upgrades (e.g. HVAC, insulation, radiant barriers, etc.) for residential and multifamily customers, solar photovoltaic installation rebates, the commercial standard offer incentive, commercial engineering audits, and commercial demand response programs (ERS, 4CP, and Spot Price Load Reduction).

To qualify for any one of the rebates, customers must submit the appropriate application under the GreenSense Incentive Program (GreenSense) Manual. Depending on the program, either DME or Sustainable Denton will use the information provided by the customer in the application to perform necessary analysis, track and record locations of installed improvements, and report data to different agencies at various intervals and determine and confirm program rebate eligibility. All supporting documentation required to be submitted with the application is also reviewed to insure all installations meet applicable local codes and program standards.

Every year, the GreenSense Incentive Program Manual is reviewed and modified when necessary to adapt to the ever-changing prices, standards, and findings associated with energy efficiency and conservation measures and practices. The proposed updates and modifications for the FY 2017-18 GreenSense Program include:

- General clean-up and standardization of language throughout program manual
- Consolidation of information and removal of redundant sections
- Replacing flat rebate with graduated rebate based on size for HVAC systems
- Addition of a \$300 rebate for new electric vehicle purchases
- Remove 4CP Incentive and Spot Price Load Reduction programs
- Remove distributed generation; Creation of separate DG Manual (see below for further explanation)
- Increase solar rebate budget from \$200,000 to \$290,000
- Increase energy efficiency budget from \$200,000 to \$210,000

Distributed generation, or any small installation of a generation source on the customer's side of the meter, is a rapidly growing feature of DME customers. As the number of distributed generation unit installations continues to increase, staff recognizes the need to streamline and increase the efficiency of the distributed generation application process. In order to provide information to customers in a more effective manner, staff has created a Distributed Generation (DG) Manual to incorporate all standards required by departments across the City of Denton. While solar installations will still be an integral part of the GreenSense program, the DG Manual will now serve as the guiding document for all solar installs. The solar rebate structure will not be altered by this change.

By providing a separate DG Manual, citizens will be able to find all information related to installing DG systems in one centralized location. Additionally, a consolidated manual and streamlined process will help reduce the administrative processing time and confusion associated with the DG process. The new DG Manual will assist staff in tracking all DG installs, and will formalize the City's practices in order to be recognized as a 'Solar Friendly Community' and receive designation under the Department of Energy's SolSmart Program. The DG Manual is a cross-departmental effort, aimed at increasing efficiencies in a rapidly growing program.

### **RECOMMENDATION**

On September 11<sup>th</sup>, the Public Utilities Board recommended approval of the FY 2017-18 GreenSense Incentive Program, the GreenSense Incentive Program Manual, and the Distributed Generation Manual.

### **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

The Public Utilities Board recommended approval (5-0) on September 11, 2017 (PUB17-169).

### **FISCAL INFORMATION**

Staff is seeking to increase the solar rebate budget from \$200,000 to \$290,000 and increasing the energy efficiency budget from \$200,000 to \$210,000. The changes will be made within the Electric Department budget and no additional supplemental funds will be needed to achieve these increases.

### **STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

**Related Key Focus Area:   Organizational Excellence**

**Related Goal:               1.4 Achieve high level of customer satisfaction**

### **EXHIBITS**

Exhibit 1: Agenda Information Sheet

Exhibit 2: Resolution

Exhibit 3: GreenSense Incentive Program Manual

Exhibit 4: GreenSense Incentive Program Manual (Redline)

Exhibit 5: Distributed Generation Manual

Exhibit 6: Solar Rebates Memo

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