

Climate Pollution Reduction Grants – Implementation Grants Powering Up Utah Renewable Communities- Salt Lake City

1. OVERALL PROJECT SUMMARY AND APPROACH

a. Description of GHG Reduction Measures

Salt Lake City proposes the *Powering Up Utah Renewable Communities* project to launch a community choice clean electricity program called the [Utah Renewable Communities](#) (URC) program. The URC Program aims to catalyze significant new clean electricity development across Utah and the Intermountain West -- up to an estimated 1.2 million Megawatt-hours (MWh) per year of new clean electricity in 2030. It thereby aligns directly with EPA's Strategic Plan Goal 1, "Tackle the Climate Crisis"; Objective 1.1, "Reduce Emissions that Cause Climate Change." The grant award will go toward subsidizing the URC program by covering roughly half of its new clean electricity acquisition target in 2027 and the first five years of estimated administration costs in the form of participant support costs, thereby lowering the program rate paid by participating customers in participating Utah communities. It also includes three sub-awards for URC Navigators in communities with higher Low-Income / Disadvantaged Communities (LIDAC) populations. This community choice clean electricity program measure appears in the [Salt Lake City, UT Metro Area Priority Climate Action Plan](#) (PCAP) as [measure #12 on page 58](#) and in the [Utah PCAP](#) as [Measure #10, Project #1 on page 128](#).

The URC is a collection of 18 Utah towns, cities, and counties that have been working with electric utility provider, Rocky Mountain Power, to develop a new clean electricity program that was enabled in 2019 by Utah Code 54-17-9, the [Community Renewable Energy Act](#) ("Act") (soon to be renamed the "Community Clean Energy Act"). The participating communities represent almost a quarter of Rocky Mountain Power's Utah electricity sales and include: Coalville City, Cottonwood Heights, Emigration Canyon Township, Francis City, Grand County (unincorporated), City of Holladay, Kearns, Millcreek, Moab City, Oakley City, Ogden City, Park City, Salt Lake City, Salt Lake County, Summit County, Town of Alta, Town of Castle Valley, and Town of Springdale. Salt Lake City is the largest community participating in this effort by population and annual electricity consumption.

Each of the 18 member communities adopted resolutions in 2019 supporting the goal of achieving net-100% renewable electricity by 2030 on behalf of participating customers in their jurisdictions and the Act allows Rocky Mountain Power—the only energy provider in these areas—to acquire clean electricity on behalf of an approved program to satisfy this goal. The Act is transformative, in part, because it is designed as an "opt-out" program, meaning all utility customers in a participating jurisdiction would be automatically enrolled unless they choose to exit. This feature maximizes the clean energy development potential of the program. This program thereby has the potential to catalyze up to an estimated 1.2 million Megawatt-hours (MWh) per year of new clean electricity in 2030.

This program is one of the first of its kind in the country and is a model for achieving significant new clean energy development in states without Renewable Energy Portfolio Standards.

The URC (formally the "Community Renewable Energy Agency") formed as an interlocal cooperative agency in July of 2021 to design and implement a program as required by the Act. The URC subsequently engaged Phil Russell with James Dodge Russell & Stephens, a Utah law firm specializing in energy and regulatory matters, to support ongoing negotiations with Rocky Mountain Power to design the URC

program and develop the required program application to submit to the Utah Public Service Commission (UPSC) for approval.

The result of the program application filing will be an approved URC program tariff designed to ensure that program participants (customers) pay for all program-related costs, including the excess cost of clean electricity acquired to meet the program's clean electricity goal and all program administration costs. This new URC program tariff is expected to be modest and will change year-to-year as the program acquires additional clean electricity. It is estimated to add \$2-\$7 to the average residential customer's monthly electric bill to directly support the development of new megawatts of renewable resources to ultimately achieve the URC's net-100% clean electricity target by 2030.

For eligible communities who adopt the required participation ordinance, nearly all Rocky Mountain Power customers within their boundaries will be automatically enrolled in the new URC program tariff. This is one reason the program has huge transformative potential. However, because it is an "opt-out" program, as described above, receiving funding to support Item #4 below will be particularly catalytic to launching the program.

This application requests funding to support the launch of the URC program by covering:

1. Three sub-awards to hire three URC navigator positions who will help inform residents living in Low-Income / Disadvantaged Communities and low-income households in participating communities about the URC program, its cost, and available bill assistance (targeted for **April 2025**)
2. Participant support costs for resident participants in the URC program to subsidize the cost for Rocky Mountain Power to deliver two required opt-out notices to all eligible customers in participating communities, including a Spanish translation. If not subsidized, these costs would be passed on to customers in their monthly bills (targeted for **July and August 2025**)
3. Participant support costs to fund five years of program administration costs incurred by Rocky Mountain Power which would otherwise pass to residents. This participant support cost will subsidize the URC program on residents' electricity bills. These costs include customer phone support directed to a designated URC program phone number, the cost of ongoing opt-out noticing for new customers in participating communities, and one-time software development costs to allow ongoing URC program reports (targeted to begin **September 2025**)
4. Participant support costs for a clean electricity resource subsidy for the URC program. This would cover the UPSC-approved excess cost of clean electricity contracts to meet roughly half of the URC program's 2030 new clean electricity target, estimated as the output of 200 Megawatts (MW) of Utah solar photovoltaic (PV) power plants at 30.2% capacity factor, totaling a little under 530,000 Megawatt-hours (MWh) per year interconnected with the PacifiCorp transmission system. If not subsidized, the program will likely need to launch with a significantly higher tariff, leading to greater opt-out rates and less clean energy development (UPSC approval of clean electricity arrangements targeted for **April 2025** and commercial online date targeted for **December 2026**)

The three URC navigators will be hired by Utah Community Action (serving eligible residents in Salt Lake County), Weber State University (serving residents in Ogden), and the City of Moab (serving eligible residents in Castle Valley, Moab, and unincorporated Grand County). These positions will be hired and funded under this award once the communities in these areas adopt the required participation ordinance.

Assumptions and Risks.

The primary risks that could eliminate proposed greenhouse gas (GHG) emissions reductions are:

- a) program application disapproval by the UPSC
- b) unwillingness by clean electricity developers and Rocky Mountain Power to sign long-term Power Purchase Agreements (PPAs) for the URC program if payments are conditioned on future URC program participation levels
- c) failure of at least two URC communities to adopt the required participation ordinance

Underlying the top three risks is the concern that program participation could be much lower than expected, resulting in program revenues that are insufficient to cover program administrative costs and resource contracts, resulting in an ever-increasing program rate that will become unaffordable for customers. This is a highly unlikely scenario as both Salt Lake City and Ogden conducted scientific surveys of their residents in 2022 to determine their interest in pursuing the Utah Renewable Communities program. These surveys showed that only around 20% of residents would likely opt out of such a program, even if participating increased electricity bills by around 9% or 10%.

An EPA award to fund the URC program's initial clean electricity acquisition and administrative costs would be a significant driver in mitigating risks a, b, and c:

- It will reassure the UPSC and state regulators that program-related costs will be covered even if program participation is far lower than expected (a).
- An EPA award will also reassure Rocky Mountain Power and clean electricity developers that the program's share of long-term clean electricity contract costs will be covered even if program participation falls far short of expectations (b).
- Finally, by substantially reducing the cost to participating customers, an EPA award will encourage the 18 URC member communities to adopt the participation ordinance (c)

These secondary risks could reduce or delay projected GHG emissions reductions:

- d) failure to receive clean electricity project bids that are shovel-ready and approved for interconnection
- e) failure to receive clean electricity project bids that are within the range of expected cost
- f) failure by the UPSC to recognize the financial benefits of URC program resources within the expected range
- g) clean electricity project delays resulting from permitting delays, tariffs, supply chain disruptions, changing trade laws or their enforcement, changing Federal clean electricity tax credit laws or their enforcement

The URC has undertaken two strategies to mitigate risk (d). First, the URC Program Design Committee has reviewed PacifiCorp's—aka Rocky Mountain Power's—Transmission's interconnection queue and identified at least four available utility-scale clean electricity projects that have signed interconnection agreements and listed commercial online dates between now and 2027. Second, the URC co-hosted an open house with PacifiCorp / Rocky Mountain Power for renewable energy developers in July of 2023 to learn about the URC program and the potential to develop projects to meet the program's clean electricity goal. This open house resulted in meetings with four different clean energy developers to

further discuss the URC program. Finally, since PacifiCorp / Rocky Mountain Power indefinitely suspended its Request for Proposals (RFP) in September of 2023, three additional clean energy developers contacted members of the URC to discuss opportunities to develop clean electricity projects to serve the URC program.

Risks (e) and (f) together could effectively increase the cost of clean electricity available to the URC program, meaning less can be acquired and GHG emissions reductions would be lower than anticipated. To mitigate this risk, cost and benefit numbers presented in this application were developed using recent information specific to PacifiCorp / Rocky Mountain Power.

The clean electricity cost estimate presented in this application was developed using the cost of ten small 20-megawatt (MW) Utah solar farms presented in the PacifiCorp / Rocky Mountain Power 2023 Integrated Resource Plan. Developing this cost estimate using ten small solar farms instead of one large 200 MW solar farm introduces conservatism into the estimate since small solar farms produce electricity at a higher levelized cost than large solar farms that achieve economies of scale. Furthermore, the financial benefit attributable to this electricity was developed using the PacifiCorp / Rocky Mountain Power avoided cost filing. The avoided cost filing provides indicative pricing for electricity acquired from Qualifying Facilities (QFs) and is one accepted way of determining the financial benefit of electricity. The actual method of determining the value of electricity acquired to serve the URC program will be subject to approval by the Utah Public Service Commission. Please see **Technical Appendix Section V** for a discussion of how the clean electricity subsidy for this grant application was calculated.

The actual size of the clean electricity acquisition that can be supported by this grant application will be determined by a competitive solicitation that, subject to UPSC approval, will consider cost, project readiness, and emissions reductions, among other factors. If costs and benefits turn out to be more favorable than assumed, the URC program could acquire even more clean electricity and achieve even greater GHG emissions reductions.

While risk g) cannot be eliminated, Salt Lake City has already navigated supply chain and trade issues surrounding the Elektron Solar Project – an 80 MW solar development that was catalyzed through the renewable energy commitments of SLC municipal, Park City municipal, Summit County municipal, and three other large energy users. After working with Rocky Mountain Power and renewable developers for over four years, we have successfully navigated supply chain disruptions, uncertainty due to international trade law and associated tariffs, permitting challenges, and other obstacles. While there is no way to reduce these risks to zero, we have experience overcoming similar obstacles with similar partners.

Please see the below Authorities and Timeline information in Section 3c for further discussion of major activities occurring separately from the grant.

Finally, the following risk factor could materially alter the URC program and materially alter the projections:

- h) changes to the URC program's enabling state statute, the Utah Community Renewable Energy Act, by the Utah State Legislature

During the past legislative session, the Utah State Legislature made changes to the Utah Community Renewable Energy Act that will take effect on May 1, 2024. These changes make additional energy resource types eligible for acquisition and open the door to additional local governments beyond the 18

who are currently members of the URC. Future legislative changes could increase or decrease the projected impacts of the URC program. The URC hopes to mitigate the risk of future negative changes by catalyzing clean energy development that brings construction jobs and increases tax revenues in the Intermountain West, with a preference for projects located in Utah.

b. Demonstration of Funding Need

Salt Lake City has explored several alternative funding sources and has determined that an award under this competition is the most promising funding source to support the biggest launch, with the most clean energy development, of the URC program by covering Participant Support Costs (PSC) for Rocky Mountain Power customers who participate in the URC program.

The PSC amount is estimated by calculating a clean electricity subsidy amount and a program administration cost subsidy amount. The calculation of these subsidy amounts is covered in detail in the budget and accompanying Technical Appendix Sections IV and V. From the perspective of the typical household using 700 kilowatt-hours per month, the subsidies provided by this grant would reduce the cost of participating in the URC program by \$2.40 per month per customer on average over the five-year performance period. Please see the Technical Appendix Section III for this calculation.

First and foremost, the funding avenue available to the URC program is the ongoing revenue generated by participating utility customers paying a program rate (surcharge) on every kilowatt-hour of electricity they consume. However, this funding stream is not well suited to support the program's initial administration costs or its initial clean electricity acquisition.

To launch the program, Rocky Mountain Power will need to incur certain program administration costs before the program ever begins generating revenue. These administration launch costs include delivering two required notices for all eligible customers in participating communities, conducting phone support on a separate line for program-related questions, and some custom programming to allow the creation of ongoing program-related reports. Because Rocky Mountain Power is not allowed to take on liabilities associated with the program, according to state law, and these costs must be incurred before program revenue can be collected to offset them, an EPA award under this competition could fulfill this critical need by subsidizing these costs and reducing the ones that will be passed on to customers.

Similarly, ongoing program revenue cannot be relied on to cover the program's initial clean electricity acquisition. According to the Act, participation in the URC program will be optional; customers can decide to opt-out in the two months before the program launch, cancel within the first three months after the program launch, or exit after the first three months by paying a small termination fee. For this reason, ongoing program revenues will be uncertain from year to year. This uncertainty means that instead of paying for its share of a clean electricity contract over time, as is typical with power purchase agreements, the URC program will likely need to demonstrate its ability to cover this cost upfront before a clean electricity contract serving the program will be allowed to go into effect.

While technically possible, funding the program's first clean electricity acquisition entirely upfront would likely require charging a much higher initial program rate. This higher program rate would likely increase program opt-outs and lead to a smaller program that has a smaller beneficial climate impact. Or the program could decide to make a much smaller initial acquisition but would then be likely to significantly miss its net-100% clean electricity by 2030 target. An award from EPA under this competition should allow the URC program to meet roughly half of its new clean electricity target in 2027 and use collected

program revenues between now and then to build a reserve fund sufficient to build close to the remaining half of the target by 2028 while keeping the program affordable for most households.

The Department of Energy (DOE) Loan Programs Office (LPO) is authorized under Federal law to provide loans and loan guarantees for clean energy projects. Traditionally, loans made by this office were restricted to projects employing innovative (i.e., non-commercialized) technology. By contrast, the URC seeks low-cost and proven clean electricity technologies to meet its clean electricity target; for this reason, traditional LPO lending is not a good fit for the URC-related clean electricity projects.

More recently, the LPO's loan authority was expanded to include projects employing already commercialized technologies if these projects also receive support from an approved State Energy Financing Institution (SEFI). Consequently, Salt Lake City made inquiries with two state agencies – the Utah Office of Energy Development (OED) and the School and Institutional Trust Lands Administration (SITLA). Despite both having a nexus with clean energy development, neither agency felt it had the statutory authority to provide financing support for clean energy and thus did not have the capability to serve as an SEFI for the purpose of unlocking LPO loans or loan guarantees.

Salt Lake City also explored the United States Department of Agriculture (USDA) Powering Affordable Clean Energy (PACE) competition. PACE funding allows loan forgiveness for renewable energy projects and was open to municipalities. However, the program also required that at least 50% of the proposed population to be served by a supported renewable energy project needs to live in communities with populations of 20,000 or fewer. Even though 12 of the 18 URC member communities had populations under 20,000 in 2019, they only represented 8% of the total population proposed to be served by the URC program. Therefore, the PACE competition was also not a viable path for financial support for the URC program.

Finally, Salt Lake City explored the EPA's Solar for All competition as a possible avenue for financial support for the URC program. This competition provided funding for rooftop and community-scale (5 MW) solar energy projects serving low-income households and households in disadvantaged communities specifically. However, the URC program is targeting larger clean electricity projects (at least 20 MW) so that program participants can benefit from economies of scale and enjoy lower per-MWh costs. The URC program will also serve non-low-income households, households outside of disadvantaged communities, and non-residential customers. For these reasons, the Solar for All competition was also not a viable pathway to support the URC program.

c. Transformative Impact

The proposed GHG reduction measure within the URC program presents a transformative opportunity to address a possible slowdown in Utah's transition to cleaner electricity sources. Despite the absence of state-mandated clean electricity targets, the URC program stands out as a pioneering and replicable initiative aimed at increasing the deployment of existing GHG emission reduction technologies. While PacifiCorp published a [resource solicitation in 2022 citing a need for 1,345 MW of new proxy renewable resources](#), it later [indefinitely suspended](#) the solicitation, citing recent and ongoing changes to Federal rules, wildfire risks and liabilities, and extreme weather risks. By facilitating collaboration between municipalities and Rocky Mountain Power, the program establishes a scalable model for other states without binding clean electricity targets that are served by one or more large investor-owned utilities.

The URC program's significance is underscored by recent state legislative changes prioritizing and preserving existing dispatchable energy resources. This policy direction could pose significant challenges to achieving future emissions reductions in the electrical sector for Utah customers. In this context, the URC program emerges as a vital and transformative strategy to mitigate GHG emissions by accelerating the adoption of clean energy technologies.

The URC program's scalability is a key factor in its potential to generate significant additional GHG emission reductions. An EPA award under this request should cover roughly half of the program's new clean electricity target and five years of program administration costs. Meanwhile, the program tariff charged to participating customers should raise enough funds by 2028 to substantially meet the remaining half of the program's new clean electricity target and another ten years of ongoing program administration costs. In this way, this an award under this competition would not directly pay for but would enable, the reduction of another 534,606 metric tons of CO₂e through 2030 and 4,348,414 metric tons of CO₂e through 2050—these numbers are not included in the GHG reductions estimated in section 2a and 2b below. Please see the **Optional Workbook sheet H-Addl Pollution Reduction** for these calculations.

Moreover, the successful implementation of the URC program in Utah has the potential to serve as a blueprint for other states grappling with similar challenges. The program's basic framework, characterized by municipal collaboration and customer-driven clean energy initiatives, can be exported to states lacking binding clean electricity targets. Already, URC has fielded inquiries from local government officials in Idaho, Montana, and Iowa, indicating the program's potential to catalyze market transformations and facilitate widespread adoption of clean energy practices beyond Utah's borders.

2. IMPACT OF GHG REDUCTION MEASURES

a. Magnitude of GHG Reductions from 2025 through 2030

Using the methods described below, EPA funding under this competition would reduce an estimated 1,151,417 metric tons of CO₂-equivalent (CO₂e) cumulatively through 2030. Please see a discussion of this calculation in **Technical Appendix Section I**.

b. Magnitude of GHG Reductions from 2025 through 2050

Using the methods described below, EPA funding under this competition would reduce an estimated 4,976,762 metric tons of CO₂e cumulatively through 2050. Please see a discussion of this calculation in **Technical Appendix Section I**.

The clean electricity arrangements secured using this grant funding should remain in place for 25 years, so long as the URC program remains viable and can cover its ongoing administrative costs.

c. Cost Effectiveness of GHG Reductions

Dividing the requested award amount (\$49,633,447) by the estimated cumulative metric tons of CO₂e reduced through 2030 (1,151,417) yields a figure of \$43.11 per metric ton.

For cumulative metric tons of CO₂e reduced through 2050, the cost-effectiveness is \$9.97 per metric ton. Please see a discussion of this calculation in **Technical Appendix Section I**.

- d. **Documentation of GHG Reduction Assumptions – Up to 10 additional pages as an appendix to the workplan (see Appendix C of the NOFO)**

Please see the attached Technical Appendix.

3. ENVIRONMENTAL RESULTS – OUTPUTS, OUTCOMES, AND PERFORMANCE MEASURES

a. Expected Outputs and Outcomes

Outcomes: The anticipated outcomes of this project are a reduction of 1,151,417 metric tons of CO₂e pollution by 2030.

Outputs: The anticipated outputs of this project include

- 3 URC navigators hired to communicate directly with LIDAC-serving organizations and residents about the URC program and how to take advantage of utility bill assistance programs at the beginning of the project period.
- An increase of at least 5% in the number of residents participating in Rocky Mountain Power's schedule 3 bill assistance programs. This will result from targeted URC navigator engagement with LIDACs.
- 200 MWs of clean electricity resources will be contracted to serve the URC program producing just over 529,000 MWhs of clean electricity annually.
- 1st and 2nd opt-out notices will be mailed to all residents.
- More people with schedule 3 bill assistance participating in the URC program-- at least 5% of URC participants are on schedule 3

b. Performance Measures and Plan

To assess and track the efficiency and progress of the URC project SLC will track, analyze, and evaluate the following performance measures.

- The number of hired URC navigators and the number of residents these URC navigators support will be tracked and reported to Salt Lake City as a condition of the sub-awards made by Salt Lake City to Utah Community Action, Weber State University, and the City of Moab, respectively.
- The number of opt-out notices mailed will be tracked by Rocky Mountain Power and reported to Salt Lake City in the form of an invoice before payment using award funds.
- The number of cost-competitive clean energy bids received will be tracked by Salt Lake City and Millcreek City.
- The progress of each renewable project toward achieving its Commercial Operations Date, including permitting, procurement, construction, and other milestones will be tracked by Rocky Mountain Power, Salt Lake City, and the URC and reported on via semi-annual reports.
- The number of MWhs enrolled in the URC program will be tracked by Rocky Mountain Power and reported to Salt Lake City.

- The number of MWs of clean electricity resources serving the URC program and the MWhs generated by these resources will be reported by Rocky Mountain Power to Salt Lake City; these numbers will be publicly verifiable using the United States Energy Information Administration (EIA) open data platform.
- The metric tons of GHG emissions and criteria for air pollutants reduced will be calculated annually by Salt Lake City using EPA's AVOIDed Emissions and geneRation (AVERT) tool.

c. Authorities, Implementation Timeline, and Milestones

**Implementation Timeline
and Milestones Table**

M indicates milestones

| | 2024 | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | | 2030 |
|---|------|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|
| | Q4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q1 |
| Task 1.1 Launch the URC Project | | | | | | | | | | | | | | | | | | | | | | |
| City Council award process | | | | | | | | | | | | | | | | | | | | | | |
| QAPP development | | | | | | | | | | | | | | | | | | | | | | |
| QAPP approved by EPA | | | | | M | | | | | | | | | | | | | | | | | |
| UPSC grants regulatory approval of complete program | M | | | | | | | | | | | | | | | | | | | | | |
| Hiring process for 3 URC navigators | | | M | | | | | | | | | | | | | | | | | | | |
| Communities adopt participation ordinances | | | M | | | | | | | | | | | | | | | | | | | |
| First round of opt-out notices delivered | | | | M | | | | | | | | | | | | | | | | | | |
| Second round of opt-out notices delivered | | | | M | | | | | | | | | | | | | | | | | | |
| URC program launches, with program appearing for the first time on customer electricity bills | | | | | M | | | | | | | | | | | | | | | | | |
| Task 1.2 URC clean electricity arrangements approved and generating | | | | | | | | | | | | | | | | | | | | | | |
| Electricity contract signed by RMP & renewable developer ** | M | | | | | | | | | | | | | | | | | | | | | |
| Clean electricity arrangements approved by PSC** | | | M | | | | | | | | | | | | | | | | | | | |

| | 2024 | 2025 | | | | 2026 | | | | 2027 | | | | 2028 | | | | 2029 | | | | 2030 |
|--|------|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|------|
| | Q4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q 1 | Q 2 | Q 3 | Q 4 | Q1 |
| EPA award funds fully expended on URC costs | | | | | | | | | | | | | | | | | | | | | M | |
| Task 1.3 URC Navigators Outreach | | | | | | | | | | | | | | | | | | | | | | |
| Moab City URC Navigator attends public outreach events to spread the word of the program; assist residents in applying for bill assistance and other resources | | | | | | | | | | | | | | | | | | | | | | |
| Utah Community Action URC Navigator attends outreach events to spread the word of the program; assist residents in applying for bill assistance and other resources | | | | | | | | | | | | | | | | | | | | | | |
| Weber State University URC Navigator attends outreach events to spread the word of the program; assist residents in applying for bill assistance and other resources | | | | | | | | | | | | | | | | | | | | | | |
| Task 1.4 Outreach & Reporting | | | | | | | | | | | | | | | | | | | | | | |
| Engagement activities: URC website updates, routine updates through outreach | | | | | | | | | | | | | | | | | | | | | | |
| Semi-annual reports | | M | | M | | M | | M | | M | | M | | M | | M | | M | | M | | |
| Final Report | | | | | | | | | | | | | | | | | | | | | | M |

**The renewable energy resource may be developed by Rocky Mountain Power or a third-party clean energy developer.

Authorities. The Community Renewable Energy Act (Act) adopted in 2019 allows a qualified utility to acquire renewable energy resources to serve an approved community renewable energy program. The Act and accompanying Utah Administrative [Rule R746-314](#) (Rules) required interested communities served by Rocky Mountain Power to:

- adopt qualifying resolutions supporting the goal of achieving net-100% renewable electricity by 2030
- sign a governance agreement allowing all interested communities to speak with one voice on program design matters, and
- cover certain costs

The Utah Renewable Communities (formally called the “Community Renewable Energy Agency”) was formed in 2021 to fund and carry out the design and launch of a program as prescribed by the Act and Rules.

Since then, the 18 member communities have contributed \$700,000 to fund the development of the program, including by hiring outside counsel experienced with energy regulatory matters. The URC has been negotiating with Rocky Mountain Power on program design matters since December of 2021 and the parties have jointly developed and agreed to language for a Utility Agreement as required by the Act.

The timeline of grant-supported activities above assumes that the following activities not supported by grant funds will be accomplished on these approximate schedules:

- the URC, its member communities, and Rocky Mountain Power sign the required Utility Agreement (targeted for **June 2024**)
- Rocky Mountain Power submits the program application for UPSC approval on behalf of the URC (targeted for **July 2024**)
- the URC recommends and Rocky Mountain Power enters contract negotiations for clean electricity arrangements (by **October 2024**)
- the UPSC approves the program application (targeted for **December 2024**)
- at least two URC member communities, including Salt Lake City, adopt the required participation ordinance within 90 days of PSC approval (targeted for **March 2025**)
- the UPSC approves recommended clean electricity arrangements (targeted for **April 2025**)

Tasks and Authorities Table

| Task | Responsible Party | Collaborating Parties | Authority |
|---|--|-------------------------------|--|
| 1.1 Launch of the URC Project | | | |
| 1.1.1 URC navigators hired | City of Moab; Weber State; Utah Community Action | SLC Sustainability Department | City of Moab; Weber State; Utah Community Action |
| 1.1.2 -1.1.3 Clean energy opt-out notices sent out | Rocky Mountain Power | SLC Sustainability Department | Rocky Mountain Power |
| 1.1.4 URC program launches, with program tariff appearing for the first time on | Rocky Mountain Power | SLC Sustainability Department | Rocky Mountain Power |

| | | | |
|---|-------------------------------|---|------------------------|
| participating customer electricity bills | | | |
| 1.2 URC Clean Energy Arrangements Approval and Generation | | | |
| 1.2.1 Clean electricity arrangements approved by UPSC | Rocky Mountain Power | UPSC | UPSC |
| 1.2.2 Clean electricity resources online and generating | Rocky Mountain Power | Salt Lake City, URC communities, clean energy developers | Rocky Mountain Power |
| 1.1.3 EPA Award fully expended on URC project costs | SLC Sustainability Department | Rocky Mountain Power | Salt Lake City |
| 1.3 URC Navigators Outreach | | | |
| 1.3.1 Moab City URC Navigator connects with LIDACs on URC and bill assistance options | City of Moab | Salt Lake City, URC communities; Weber State University, Utah Community Action | Moab City |
| 1.3.2 Utah Community Action URC Navigator connects with area LIDACs on URC and bill assistance options | Utah Community Action | Salt Lake City, URC communities; Weber State University; Moab City | Utah Community Action |
| 1.3.3 Weber State University URC Navigator connects with area LIDACs on URC and bill assistance options | Weber State University | Salt Lake City; URC communities; Moab City; Utah Community Action | Weber State University |
| 1.4 Reporting | | | |
| 1.4.1 Semi-annual reports | SLC Sustainability Division | City of Moab; Weber State University; Utah Community Action; Rocky Mountain Power | Salt Lake City |
| 1.4.2 Final Report | SLC Sustainability Division | City of Moab; Weber State University; Utah Community Action; Rocky Mountain Power | Salt Lake City |

4. LOW-INCOME AND DISADVANTAGED COMMUNITIES

a. Community Benefits

Benefits. Please see the **Technical Appendix Section II** for a discussion of how Low-Income and Disadvantaged Communities (LIDACs) benefits were calculated. Summary Table 4 from that section is reproduced below.

| Time Period | Total Population | LIDAC Population | % LIDAC |
|---|------------------|------------------|---------|
| Climate Damages Avoided at \$51 per metric ton (2025 thru 2030) | \$58,722,290 | \$24,639,873 | 41.96% |
| Health Damages Avoided (2025 thru 2030) | \$14,971,856 | \$6,300,009 | 42.08% |

The list of disadvantaged census block group IDs benefitted by this proposed project only includes areas with avoided health damages.

The URC's Program Design Committee will propose that clean electricity projects considered for the URC program receive bonus points if they are located in areas with an identified coal closure or a disadvantaged area.

Disbenefits. The two primary disbenefits associated with the URC Program are expected to be:

- An additional monthly cost estimated to be between \$2 and \$7 per month, on average, for the typical electricity customer using 700 kilowatt-hours (kWh) per month. (With the grant-funded participant support cost subsidy, this monthly customer cost will go toward clean energy resource procurement in 2029, since the grant's subsidy will be used on the first resource build-out)., And,
- A termination fee (expected to be \$30) for households who exit the program after the two-month opt-out period and three-billing cycle cancellation period.

The URC program hopes to address these two disbenefits through the implementation of its Plans for Low-Income Assistance, developed to satisfy requirements of the Act and Rules that implement the Act.

Because neither the Act nor the Rules indicated what the plans for low-income assistance should contain, the URC Board established a Low-Income Plan Committee in the Fall of 2021 to support member communities in developing such plans.

To inform the development of these plans, the Low-Income Plan Committee:

- Reviewed and summarized all of the low-income assistance programs available to Rocky Mountain Power's Utah customers.
- Created [energy burden maps](#) at the census-tract level for each of the URC's 18 member communities using then-current 2018 data available through the Low-Income Energy Affordability Data (LEAD) tool (please see Figure 1 below for an example)
- Developed a report with Rocky Mountain Power to track monthly the aggregate number of customers in each community receiving monthly bill assistance and who are 60 days behind on bill payments (please see Figure 2 below for an example)
- Sought input from community-based organizations that provide weatherization and other assistance to lower-income residents throughout the state, including Utah Community Action, Futures Through Training, Five County Association of Governments, Southeastern Utah Association of Governments, Mountainland Association of Governments, and the Salvation Army

Figure 1. Salt Lake City energy burden map showing the estimated number of households at or below 150% of the Federal Poverty Limit (FPL) and these households' average energy burden.

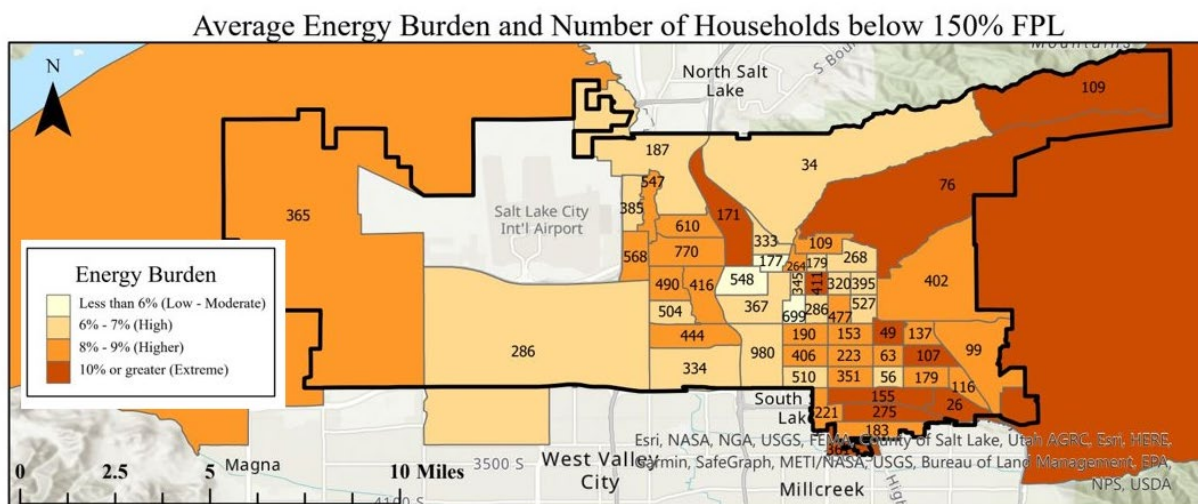
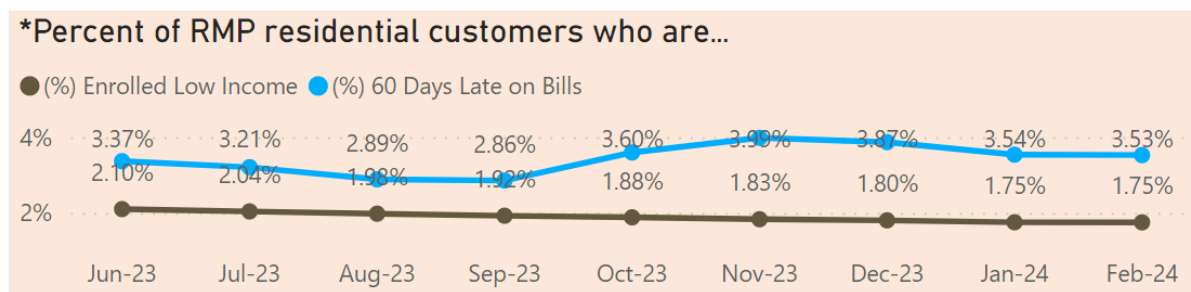


Figure 2. Report showing the percentage of Rocky Mountain Power customers enrolled in low-income assistance and 60 days (or more) late on bill payments, by month, for Salt Lake City.



The URC Board adopted at its December 2022 meeting two programmatic approaches to low-income assistance to attempt to address these disbenefits.

1) To address the URC monthly cost disbenefit, the URC Board **approved an enhanced monthly bill credit** available to eligible low-income households receiving monthly bill assistance through the HELP program (Schedule 3) who participate in the URC program. The enhanced bill credit will be set at the average monthly cost for the typical residential customer, capped at \$7 per month, and offered on top of the standard monthly bill assistance amount. All the URC's other participating customers will fund this enhanced bill credit by paying a monthly surcharge capped at \$0.70.

2) To address the termination fee disbenefit, the URC Board **approved a [termination fee waiver](#)** for eligible low-income households receiving monthly bill assistance through the HELP program (Schedule 3) who participate in the URC program.

These two programmatic approaches to low-income assistance will help mitigate the disbenefits of the URC Program's additional cost and possible termination fees.

These programmatic approaches for low-income assistance adopted by the URC Board are subject to approval by the UPSC.

b. Community Engagement

All 18 members of the URC approved [low-income plans](#) that list the two approved programmatic approaches to low-income assistance and an outreach plan that lists community-based organizations (CBOs) serving residents in their areas. Lists of CBOs were developed by the Low-Income Plan Committee in partnership with United Way of Salt Lake using the 211 Utah online public services directory. Each community then reviewed and refined the list of organizations specific to its plan.

In all, the plans list around 100 unique community-based organizations that will be contacted by either URC member communities or by the Low-Income Plan Committee. As part of these outreach efforts, CBOs will be offered an informational poster with a request to display it in high-visibility areas. These organizations will also be offered text that can be used in electronic newsletters and listservs to help spread the word about the URC program as it is being launched.

In addition, members of the URC's Low-Income Plan Committee have met with several CBOs to give a preview of the program and answer questions. These CBOs include:

- Utah Community Action
- Utah Promise Partnership – Basic Needs Group
- Utah Promise Partnership – Utah 211 Steering Council
- the Salt Lake City Americans with Disabilities Act (ADA) Commission
- the Salt Lake City Human Rights Commission

The Promise Partnership meetings are especially valuable because they are where CBOs from across the state meet regularly to discuss specific topic areas.

In addition, this application requests funds to hire three URC navigator positions in communities with identified LIDACs: Salt Lake County, Grand County, and Ogden City.

These URC navigator positions are envisioned to:

- Be a resource that can be called when residents have questions about the URC program and available assistance
- Connect with CBOs that serve LIDAC populations and stakeholders
- Attend community events to explain the URC program, with a focus on identified LIDAC areas
- Refer residents to other organizations for other utility rebates and incentives

Additionally, to direct outreach with CBOs, the URC has contracted with a public relations firm on state contract to support general awareness of the program and its key milestones. The firm will create targeted digital and printed communications that the URC navigators can share directly with CBOs and residents.

Salt Lake City separately contracted with a marketing firm specializing in behavior change and designing health and environmental campaigns for social good. In 2023, this firm conducted significant market research, including stakeholder interviews and direct community outreach through intercept surveys. Their research findings will also inform messaging and materials used to effectively communicate with LIDACs. This firm will also create explainer videos that can be shared by URC navigators.

The URC Navigators will provide a continual and consistent presence in many of the LIDAC communities participating in the URC program, where residents can share feedback and ideas with Salt Lake City and URC, and cost-saving resources can be shared back with residents.

Salt Lake City will also discuss the URC program with its Environmental Justice Resident Committee, facilitated by University Neighborhood Partners, to create a forum for information-sharing and meaningful input with this group of nine deeply engaged residents from LIDACs in Salt Lake City. Finally, Salt Lake City will share program updates, milestones, and successes through its ongoing communication channels through the Mayor's Office, Civic Engagement Teams, and Media Services.

Printed engagement and informational material will also be translated into Spanish, which is the top non-English language spoken in LIDACs in Utah. Additional translation and interpretation services will be used, as needed, for Spanish or other languages to facilitate a wide range of community involvement. SLC employs a full-time language access coordinator within the Mayor's Office who is adept at facilitating multi-lingual and multi-cultural communication needs, as well as a full-time ADA Coordinator who can advise on methods of inclusion and accommodation for people with disabilities.

5. JOB QUALITY

The URC's Program Design Committee will propose that clean electricity projects considered for the URC program receive bonus points if they agree to:

- Meet prevailing wage requirements (1 point out of 100), and
- Supply at least 2% of construction labor through registered apprenticeship programs

Program rules require that solicitation procedures and scoring criteria be jointly developed with Rocky Mountain Power and approved by the Utah Public Service Commission.

6. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

- Past Performance &**
- Reporting Requirements**

SLC has over 35 years of experience managing federal and non-federal assistance agreements and grants including acting as a passthrough entity to other partners. It has a robust pre- and post-award processes, sufficient staff to administer and monitor funds, and clear practices in place to ensure compliance and reporting are done on time and fully. The following table shows five awards SLC has received, including a demonstration of compliance with reporting requirements and a track record of timely reporting functions including progress towards achieving the expected outputs and outcomes of those awards.

| Award Name and Assistance Listing Number | Funding Source | Award Amount | Description | Contact | Reporting |
|--|----------------|--------------|-------------|---------|-----------|
| | | | | | |

Salt Lake City Sustainability Department CPRG Implementation Grant

| | | | | | |
|--|--|----------------|---|---|--|
| Fix the Bricks 97.047 | FEMA | \$1,992,895.50 | A Pre-Disaster Mitigation grant to complete seismic improvements on 100 homes in SLC. This grant required a 25% match. | Kathy Holder State Hazard Mitigation Officer Utah Division of Emergency Manager | All reporting for this grant was financial and submitted on time. Due to COVID-19, the grant was extended past the original performance period and ended in March 2023. |
| Homeless Shelter Mitigation Grant | Utah Department of Workforce Services | \$2,749,603.76 | A grant to support decreasing the number of people experiencing unsheltered homelessness including subawards to local shelters. | Melissa Turner, Grant Analyst | Reports for this grant and due quarterly and all have been submitted on time. The grant is currently ongoing and on track to meet outputs and outcomes. |
| Fire Prevention and Safety (FP&S) 97.044 | FEMA | \$37,333.33 | Funding to support the SLC Fire Department to acquire arson-related surveillance equipment. | PAMELA WILLIAMS Assistant Administrator, Grant Programs | This grant is currently ongoing. All reports have been submitted on time and SLC is on track to meet all outputs and outcomes. |
| Temporary Assistance for Needy Families Grant 93.558 | Utah DWS-Administration of Children and Families | \$1,391,672.00 | Funding for an after-school program | Deborah Bott, Contract Specialist | Quarterly reporting required and submitted on time. This grant is currently ongoing and on track to meet outputs and outcomes. |
| Climate Pollution Reduction Planning Grant | EPA | \$1,000,000 | Funding to Salt Lake City to develop a comprehensive, economy-wide climate mitigation plan. | Emily Bertram Bertram.Emily@epa.gov | Quarterly reporting is required and all reports have been submitted on time. The grant is currently ongoing and on track to meet outputs and outcomes. The on-time submission of the Priority Climate Action Plan occurred on March 1, 2024. |

c. Staff Expertise

This project will be led by SLC's Department of Sustainability with a team of 4 people to manage components of each of the two measures. Key staff experience and qualifications include (see resumes in other attachments):

Christopher Thomas. Christopher Thomas, Sr. Energy and Climate Program Manager with the Salt Lake City Sustainability Department, serves as Salt Lake City's alternate member on the URC Board. He convenes the Program Design Committee and is the primary person responsible for directing the work of the URC's outside counsel (Phil Russell with James Dodge Russell & Stephens) and that firm's analytical consultant (Kevin Higgins with Energy Strategies). He also plays a leadership role in negotiations with PacifiCorp / Rocky Mountain Power regarding program design.

Previously, Mr. Thomas helped negotiate the interlocal cooperation agreement that formed the URC (formally called the "Community Renewable Energy Agency"). This agreement describes voting procedures, voting weights, and required payments.

Mr. Thomas also helped successfully negotiate an agreement under Rocky Mountain Power's Schedule 34 tariff for the acquisition of electricity from the [80-megawatt Elektron Solar Project](#) being constructed in Tooele County, Utah, from which Salt Lake City Corporation plans to source most of its electricity for government operations beginning this year. Seeing this project through to completion required amending the underlying agreements multiple times to accommodate [multiple schedule disruptions](#) and creating alignment among six large electricity customers, Rocky Mountain Power, and D.E. Shaw Renewable Investments (DESRI – the project developer). This recent experience navigating complex multiparty negotiations should prove valuable to the URC Board as it looks to acquire clean electricity to meet its net-100% by 2030 goal.

Sophia Nicholas. Sophia Nicholas, Sustainability Department Deputy Director, is responsible for project administration, contracting, problem-solving, tracking of milestone achievement, and reporting. Ms. Nicholas brings 16 years of experience in communications, outreach, and sustainability program development.

Debbie Lyons. Debbie Lyons, Sustainability Department Director, is responsible for project administration. Her expertise in program development, policy management, and leadership will guide project delivery. Ms. Lyons is a proven leader with over 28 years of experience developing, implementing, and managing policy and programming in the government sector. Twenty years of experience in leadership, team development, and supervision.

Amy Dorsey. Amy Dorsey, SLC Grant Administrator, is responsible for the oversight of the projects' grant compliance and financial reports. Ms. Dorsey has over 10 years of experience in grant management and compliance, particularly within government settings. In her current role, she oversees post-grant activities such as contract routing, reimbursement requests, and report submissions.

7. BUDGET (OPTIONAL BUDGET SPREADSHEET AND UP TO 10 ADDITIONAL PAGES MAY BE ADDED IF NEEDED AS AN APPENDIX TO THE WORKPLAN)

a. Budget Detail

| BUDGET BY YEAR | | | | | | | |
|----------------|-----------------------|--------------------|------------------|---------------------|---------------------|---------------------|---------------------|
| | CATEGORY | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTAL |
| | TOTAL PERSONNEL | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | TOTAL FRINGE BENEFITS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | TOTAL TRAVEL | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | TOTAL EQUIPMENT | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | TOTAL SUPPLIES | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | TOTAL CONTRACTUAL | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | TOTAL OTHER | \$1,030,446 | \$770,813 | \$16,063,908 | \$15,880,926 | \$15,887,354 | \$49,633,447 |
| | TOTAL DIRECT | \$1,030,446 | \$770,813 | \$16,063,908 | \$15,880,926 | \$15,887,354 | \$49,633,447 |
| | | | | | | | |
| | TOTAL INDIRECT | \$0 | \$0 | \$0 | \$0 | \$0 | 0 |
| | | | | | | | |
| | Total: | \$1,030,446 | \$770,813 | \$16,063,908 | \$15,880,926 | \$15,887,354 | \$49,633,447 |

See Budget Narrative for more detailed information.

b. Expenditure of Awarded Funds

The City employs a process to closely monitor and track grant funds and timelines:

- 1) The department and project manager ensures the program elements of the grant are in accordance with the grant agreement by reviewing the Workplan, Logic Model, Timeline & Milestones, and award letter. These activities and milestones are tracked through internal project management and calendar tools and assigned to relevant staff.
- 2) The Finance Grant Manager reviews expenditures and ensures they are in accordance with both City policies, the grant agreement, and overall EPA and federal grant requirements. After review, the Finance Grant Manager submits any reimbursement requests, backup documentation, and any other financial statements requested by the Funder.

- 3) The Chief Financial Officer oversees the Finance Grant Manager to ensure all financial transactions follow correct accounting and financial procedures.
- 4) The City is audited once a year by an independent auditor to ensure the City has adequate policies, practices, and safeguards in place to protect it from any fraudulent practices.

c. Reasonableness of Costs

Please see the attached Budget Narrative.