

CITY of ALBUQUERQUE

SEVENTEENTH COUNCIL

COUNCIL BILL NO. _____ ENACTMENT NO. _____

SPONSORED BY:

1 **ORDINANCE**

2 **CREATING A NEW SECTION 2-12-2 ROA 1994 INSERTING DEFINITIONS;**
3 **AMENDING SECTION 2-12-1 ROA 1994 PARAGRAPHS J, K, L AND M TO**
4 **RESERVE 2% OF THE GENERAL FUND CAPITAL IMPROVEMENTS PROGRAM**
5 **FOR ENERGY CONSERVATION AND RENEWABLE ENERGY PROJECTS AND**
6 **INCLUDING ENTERPRISE FUND PROGRAMS IN THE ENERGY SET-ASIDE;**
7 **AMENDING 14-8-5-1 ROA 1994 ENERGY CONSERVATION COUNCIL**
8 **ORDINANCE EXPANDING THE INTENT OF THE ORDINANCE AND**
9 **ESTABLISHING CRITERIA FOR SELECTION OF RENEWABLE ENERGY**
10 **PROJECTS; INSERTING A NEW SECTION 14-8-5-2 ROA 1994 ESTABLISHING**
11 **DEFINITIONS; AMENDING 14-8-5-4 ROA 1994 POWERS AND DUTIES OF THE**
12 **ENERGY CONSERVATION COUNCIL.**

13 **BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF**
14 **ALBUQUERQUE:**

15 **SECTION 1. FINDINGS.**

16 **The Council finds that:**

17 **(A) In Fiscal Years 2004 and 2005 energy costs comprised an**
18 **average 27.5 million dollars of the total city budget including the enterprise**
19 **and general funds.**

20 **(B) There is a greater awareness by the citizens of Albuquerque of**
21 **global warming and its potential impact to the region's quality of life and the**
22 **importance of conserving energy and using renewable energy to reduce**
23 **global warming.**

24 **(C) The Mayor of Albuquerque, in concert with the City Council,**
25 **has in four years signed into law and implemented the nation's first municipal**

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1 capital set-a-side for energy conservation, restarted and strengthened the
2 Energy Conservation Council, signed into policy a comprehensive renewable
3 energy program, initiated an urban tree program partially for the purposes of
4 reducing “heat island effects”, worked to retain and develop the City’s
5 renewable energy firms, convened an energy summit to develop realizable
6 goals and objectives for renewable energy and seated an Energy
7 Sustainability and Adjunct Technical Committee.

8 (D) The projects funded through the 1% for Energy Conservation
9 Set-A-Side program have paid for themselves in General Fund savings within
10 two years creating an annual \$650,000 savings to the General Fund, reducing
11 city fleet fuel use by 8476 gallons a year, eliminating over 2200 tons of air
12 pollutants per year and saving over 4.8 million gallons of water in the
13 production of electricity.

14 (E) The Federal Governments Standards for projecting energy
15 costs based on anticipated supply and demand in the future should be
16 adopted by the City. The method of pricing the utility of energy conservation
17 projects based on historical costs of conventional energy, currently required
18 by City Ordinance has underestimated the savings achieved through energy
19 conservation due to the declining availability of fossil fuels and subsequent
20 increases in energy prices.

21 (F) The Solid Waste Management Department’s capital program
22 should be included in the 2% Set-A-Side program for Energy Conservation
23 and Renewable Energy. Converting biomass to electricity and recycling the
24 material will provide substantial long-term savings in energy costs and
25 provide the Department with an additional revenue stream.

26 (G) New Mexico is a leader in the development of renewable
27 energy technology. The manufacture, installation, and maintenance of
28 renewable energy systems will create and maintain high wage jobs in the
29 region.

30 (H) The City desires to be a leader in developing a sustainable
31 community for generations to come and should be a model for conserving
32 energy and using renewable energy to protect the environment.

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1 (I) Section 14-8-5-1 ROA 1994 of the Albuquerque City Code
2 recognizes that conserving energy in residential, commercial, industrial,
3 transportation uses and energy generation is an important community goal. It
4 is the intent of Section 14-8-5-1 ROA 1994 to provide for the public welfare by
5 developing and implementing a community-wide effort to conserve energy.
6 The City's role is to provide a mechanism for community leadership in
7 reducing fossil fuel based energy consumption, to facilitate public
8 involvement in energy conservation, and increase the effectiveness of
9 programs carried on by other entities.

10 (J) Policy 3-D of the Albuquerque Bernalillo County
11 Comprehensive Plan declares that, "Public and private planning decisions
12 should promote energy management and efficient use of energy-related
13 resources to ensure the community is served with a balanced mix of
14 affordable energy supplies."

15 (K) Section 14-8-5-2 ROA 1994 creates the Energy Conservation
16 Council, consisting of nine members who have responsibility for effecting
17 energy conservation programs within the residential, commercial, industrial,
18 transportation, and utilities sectors of the community or who have leadership
19 roles within the community. Members represent the community at large and
20 are appointed by the Mayor with the advice and consent of the Council.

21 (L) A committee comprised of city technical staff, with
22 consultation from the Energy Conservation Council, shall approve
23 expenditures for the 2% for Energy Conservation and Renewable Energy Set-
24 Aside.

25 SECTION 2. Inserting a new Section 2 "DEFINITIONS" to Article 2-12 ROA
26 1994 and renumbering all subsequent paragraphs accordingly.

27 "[+2-12-2 DEFINITIONS.

28 For the purpose of this article, the following definitions shall apply unless
29 the context clearly indicates or requires a different meaning.

30 ENERGY CONSERVATION. Building materials, equipment and machinery
31 that reduce energy costs for Enterprise and General Fund Programs by
32 demonstrably reducing energy consumption or further the implementation of
33 renewable energy sources.

1 RENEWABLE ENERGY. Any energy resource that is naturally regenerated
2 over a short time scale and is generated by use of low-or zero-emissions
3 technology with substantial long-term production potential or generated by
4 renewable energy sources that may include (1) solar, wind, hydropower and
5 geothermal resources; (2) fuel cells that are not fossil fueled; and (3) biomass
6 resources, such as agricultural or animal waste, small diameter timber, salt
7 cedar and other phreatophyte or woody vegetation removed from river basins,
8 landfill gas and anaerobically digested waste biomass. Renewable Energy,
9 does not include electric energy generated by use of fossil fuel, waste
10 products from fossil sources, waste products from inorganic sources or
11 nuclear energy.+] “

12 SECTION 3. Section 2-12-1 ROA 1994 paragraphs (J), (K), (L) and (M)
13 CAPITAL IMPROVEMENTS PROGRAM INTENT; SCOPE is amended to read.

14 "(J) Two percent of the CIP for the general fund in the 200[-3-][+7+],
15 200[-5-][+9+] and 200 [-7-][+11+] bond elections shall be reserved to fund the
16 [-purchase of-] [+ design, installation, purchase, user training and monitoring
17 of energy conservation and renewable energy systems that reduce fossil fuel
18 based energy costs+] [-Energy Conservation equipment and building
19 materials to reduce energy costs -] for General Fund [+and Enterprise Fund+]
20 Programs that will demonstrably reduce energy consumption. This fund shall
21 be known as the [-1-] [+2+] % for [+Energy Conservation and Renewable+]
22 Energy [-Conservation -] Set-A-Side for Capital Improvements. The Planning
23 for the fund shall be consistent with the requirements [+set forth+] [-
24 established-] in [-Paragraph (D) of this Section -] [+Article 2-12 ROA 1994+].

25 (K) The Department of Finance and Administrative Services will
26 budget [- 1 -] [+2+] % of the General Obligation Bond Program for the [- 1 -]
27 [+2+] % for [+Energy Conservation and Renewable+] Energy [-Conservation-]
28 Set-A-Side for Capital Improvements.

29 (L) Departmental applications for the [-1-] [+2+] % for [+the+]
30 Energy Conservation [+and Renewable Energy+] Set-A-Side for Capital
31 Improvements shall be submitted to the Facility, Energy & Security
32 Management Division. [- The Division Manager shall appoint a committee of
33 staff technical experts who will approve the savings. The Manager for the

1 ~~Facility, Energy & Security Management Division shall chair the committee.~~

2 ~~The Committee shall establish criteria to select the projects that include but~~
3 ~~are not limited to -] [+A committee of City fiscal and technical staff shall~~

4 ~~approve selected projects based on established criteria. The committee may~~
5 ~~consult with subject matter experts outside of the City Government in the~~
6 ~~selection of projects. Criteria shall include but are not limited to+]:~~

7 (1) The capital expenses of a project should be regained
8 from energy savings generated from the project within ~~[+,the expected life of~~
9 ~~the equipment and for projects using renewable energy shall have a lower life~~
10 ~~cycle cost than a project using conventional power +] [- 10-years -], using the~~
11 ~~[-average-] [+projected+] cost per unit [+by year+] for an energy~~
12 ~~resource(s)[+as published in the United States Department of Energy, Energy~~
13 ~~Information Administration, Annual Energy Outlook Report or other sources~~
14 ~~identified by the committee. Preference shall be given to alternatives that meet~~
15 ~~the energy cost criteria+]. [- The cost per unit will be derived by averaging~~
16 ~~the cost for the energy source(s) that will be conserved, over the previous~~
17 ~~three fiscal years prior to the submission of the application -~~

18 (2) If a proposal is for construction or installation, the
19 scope of the project shall only be for ~~[- 1% -] energy conservation or~~
20 ~~[+renewable energy in existing facilities+].~~

21 (3) The monetary amount distributed to any one project
22 shall not exceed 40% of the funding available in the ~~[- 4 -] [+2+] % [+ Energy~~
23 ~~Conservation and Renewable+] Energy [Conservation-] Set-A-Side [+ , unless~~
24 ~~approved by the City Council+].~~

25 (4) The project shall be consistent with the requirements
26 set forth in Paragraph (D) of this Section. “

27 SECTION 4. Section 14-8-5-1 ROA 1994 "INTENT" for the Energy
28 Conservation Council shall be amended to read.

29 ”14-8-5-1 INTENT.

30 The City hereby recognizes that fossil fuel based energy conservation in
31 residential, commercial, industrial, transportation uses ~~[-city government-] and~~
32 ~~[-utility-] [+energy+] generation is an important community goal. It is the~~
33 intent of §§14-8-5-1 et seq. to serve the public welfare by developing and

1 implementing a community-wide effort to conserve energy [+ and reduce the
2 use of fossil fuels in the production of energy+]. The City's role is to provide [-
3 a-] mechanism~~[+s+]~~ for community leadership in reduction of energy
4 consumption, to facilitate public involvement in [+conserving energy and
5 implementing renewable+] energy ~~[-conservation -]~~, and to increase the
6 effectiveness of programs carried on by other entities."

7 SECTION 5. Inserting a new Section 14-8-5-2 ROA 1994 "DEFINITIONS"
8 and renumbering all subsequent Sections accordingly.

9 "[+14-8-5-2 DEFINITIONS.

10 For the purpose of this article, the following definitions shall apply unless
11 the context clearly indicates or requires a different meaning.

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13 that reduce energy costs for Enterprise and General Fund Programs by
14 demonstrably reducing energy consumption or furthering the implementation
15 of renewable energy.

16 RENEWABLE ENERGY. Any energy resource that is naturally
17 regenerated over a short time scale and is generated by use of low-or zero-
18 emissions generation technology with substantial long-term production
19 potential or generated by renewable energy uses that may include (1) solar,
20 wind, hydropower and geothermal resources; (2) fuel cells that are not fossil
21 fueled; and (3) biomass resources, such as agricultural or animal waster,
22 small diameter timber, salt cedar and other phreatophyte or woody vegetation
23 removed from river basins or watersheds in New Mexico, landfill gas and
24 anaerobically digested waste biomass. Renewable energy does not include
25 electric energy generated by use of fossil fuel, waste products from fossil
26 sources, waste products from inorganic sources or nuclear energy.+] "

27 SECTION 6. Section 14-8-5-4 (K) ROA 1994 "POWERS AND DUTIES" for the
28 Energy Conservation Council shall be amended to read.

29 "(K) April 1st of each calendar year the Mayor and the Energy
30 Conservation Council shall communicate to the City Council for Receipt an
31 Energy Use Report for all City Programs including the enterprise fund and the
32 general fund. The plan shall include: 1) a ledger itemizing for the last 3 years,
33 at the department division level, the energy consumed by type of energy

1 source and the purpose for which it was consumed, 2) a report of the reasons
2 by department division level for increases or declines in the consumption of a
3 particular source of energy [+,+] [~~and~~] 3) a list, by department division level
4 of opportunities for energy conservation [+ and the implementation of
5 renewable energy,+] and the cost to implement [+such technologies+] [~~these~~
6 ~~energy conservation strategies-~~]. “

7 SECTION 7. SEVERABILITY CLAUSE. If any section, paragraph, sentence,
8 clause, word or phrase of this ordinance is for any reason held to be invalid or
9 unenforceable by any court of competent jurisdiction, such decision shall not
10 affect the validity of the remaining provisions of this ordinance. The Council
11 hereby declares that it would have passed this ordinance and each section,
12 paragraph, sentence, clause, word or phrase thereof irrespective of any
13 provision being declared unconstitutional or otherwise invalid.

14 SECTION 8. COMPILATION. Sections 2 through 6 of this ordinance shall be
15 incorporated in and made part of the Revised Ordinances of Albuquerque,
16 New Mexico, 1994.

17 SECTION 9. EFFECTIVE DATE. This ordinance shall take effect five days
18 after publication by title and general summary.

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