## Eugene City Council Harris Hall, 125 East 8<sup>th</sup> Avenue Eugene, Oregon 97401

January 30, 2019 12:00 p.m.

**Councilors Present:** Emily Semple, Jennifer Yeh, Alan Zelenka, Mike Clark. Chris Pryor, Betty Taylor. Greg Evans, Claire Syrett

Mayor Vinis opened the January 30, 2019, Work Session of the Eugene City Council.

## 1. WORK SESSION: Regulation of Natural Gas

Intergovernmental Relations Manager Ethan Nelson gave a PowerPoint presentation outlining proposals to address greenhouse gas issues related to natural gas service.

Council Discussion

- Councilor Zelenka announced that while he had an administrative interest in the regulation of natural gas, he did not have conflict of interest and would participate in the council discussion.
- Councilor Clark expressed concern that a static, rather than a dynamic, model was used to analyze the impacts of natural gas; the data doesn't account for increasing electricity rates due to volume increases caused by conversion; said the best information available is needed because the council's decision will have a significant impact on many people.
- Councilor Yeh acknowledged that continuing with business as usual is not a viable path forward for meeting the council's climate goals; it is worth the time and effort to pursue renewable natural gas; noted that EWEB business plan calls out its reliance on Northwest Natural as part of its resilience strategy.
- Councilor Pryor asked for clarification about the reference to MtCO2e and for information about what percentage of gas emissions is due to leakage compared with combustion.
- Councilor Evans asked questions about the cost and timeframe for retrofitting infrastructure for switching to renewables and what the average increase in rates might be for Northwest Natural customers; encouraged communication with partners at Metropolitan Wastewater Management Commission about collaborating with Northwest Natural.
- Councilor Syrett inquired about the costs of installing natural gas into new construction projects; supported efforts to move consumers away from fossil fuels while mitigating the impacts on low-income residents.
- Councilor Taylor asked questions about the pollution caused by natural gas, the potential impacts of prohibiting incentives to use natural gas, and the impacts of reducing the length of the franchise agreement; urged council to be clear to the public that it is not eliminating natural gas service.
- Councilor Semple expressed concern that the report was not complete and council had inadequate time to review the information; supported moving toward renewables and a hybrid/variable rate; urged council to avoid any financial decisions that have a regressive effect and supported more triple bottom line analysis; said a 10-year franchise period may make sense, given how quickly technology and climate conditions are changing.
- Councilor Zelenka noted that regulation would be just one small strategy to address a huge issue; encouraged working cooperatively with large-lever stakeholders and supported

developing a mutual agreement with Northwest Natural that could include GHG reduction strategies and incentives, rather than altering the franchise conditions.

- Mayor Vinis reported that she had met with representatives from Northwest Natural and they agreed to schedule a joint work session with the council; encouraged looking at strategies that could be done quickly and with little resistance.
- Councilor Clark said that the demand for electricity will continue to grow as industries and households move away from GHG-emitting services; asked about the maximum capacity of current infrastructure in delivering electricity to Eugene; supported efforts to plan intelligently and focus on efforts to decarbonize transportation.
- Councilor Syrett encouraged participation by a representative from Good Company at the next work session; supported further consideration of potential incentives for switching over to electricity, implementation of a hybrid rate, and a pathway toward renewable energy source; supported a binding Memorandum of Understanding with Northwest Natural, but noted that imposing new franchise conditions offered greater assurance of compliance.
- Councilor Semple agreed that focusing more energy on vehicular emissions would have biggest impact on climate recovery goals; supported working cooperatively with Northwest Natural and recognizing work they are already doing to address GHG issues; suggested examining the franchise agreement and making it less aggressively punitive.
- Councilor Zelenka supported holding the next work session before council's spring break; said conversion to renewable and the use of offsets can be very effective in implementing the council's climate recovery strategy.

## 2. WORK SESSION: Climate Action Plan 2.0 Update and Gap Strategy

Sustainability Program Manager Ethan Nelson and Climate Analyst Mark Nystrom presented information about progress made on the Climate Action Plan 2.0 and gap strategy.

Council Discussion

- Councilor Zelenka supported adding more resources towards quantifying what is being done so that progress can be accurately measured; asked for information about what is being done to adapt to impacts of climate change already being seen; asked councilors to keep in mind that consumption-based analysis deals with much larger numbers/percentages; noted that refrigerants are significant polluters and efforts to reduce them will yield significant results; asked about categorizing 350 Eugene's proposed actions into what can be done easily and what will take more time and resources.
- Councilor Syrett noted that if the Oregon Legislature takes action on a cap and trade proposal, it will substantially close the gap in Eugene's sector-based CO<sub>2</sub> emissions strategy, but would still leave the consumption gap.
- Mayor Vinis thanked staff for the information they were able to provide and noted that addressing these issues is an iterative process that requires more discussion.

The meeting adjourned at 1:35 p.m.

Respectfully submitted,

Beth Lorrest

Beth Forrest City Recorder

Link to the webcast of this City Council meeting: here.

MINUTES – Eugene City Council Work Session January 30, 2019