****

**City/Utility[[1]](#footnote-1) Collaboration for Energy Resilience and Sustainability**

**Since 2017.** We’ve registered as a California 501.c.6, completed our merger with CADER, launched a city/utility collaboration initiative, and redesigned our website.

**City/Utility Collaboration.** Work on IRESN’s [City/Utility Collaboration Project](https://joseph-braun-4dlb.squarespace.com/s/IRESN-City-Utility-Project-Plan.docx) is informed by the contributions of a distinguished volunteer [advisory committee](https://www.iresn.org/s/IRESN-City-Utility-Advisory-Committee-Members-attb.pdf) that meets monthly with staff. Some highlights:

**Seeking additional City/Utility Collaboration Project advisors who are based outside California. Contact** **gbraun@iresn.org** **.**

**Policy Support.** As the energy sector in the US decentralizes, decarbonizes, democratizes, demonopolizes and digitizes, city/utility collaboration will pay huge dividends. But there is not yet strong, explicit policy support for it in most states. State legislatures and agencies have close relationships with state regulated utilities and local jurisdictions. So, [state policy](file:///C%3A%5CUsers%5COwner%5CDocuments%5CIRESN%5C2018%5CBlog%20-%20Cities%20and%20Utilities%20-%20States%20Need%20Them%20to%20Collaborate.pdf) may be the key. States have the necessary relationships and authorities to set expectations and conditions for city/utility collaboration.

**Huge Dividends?** Local energy assets include on-site solar arrays, smart and/or efficient appliances, and under-utilized energy storage capacity. Increasingly, their benefits to cost-efficient local grid investment will be enabled by “time of use” electricity prices.

In Davis, California, for example, deployment of such assets is in high gear. Cities like Davis have a [big economic stake](https://climateprotection.org/community-choice-energy-local-economic-impact/) in “localizing” energy supply and storage. A third of Davis’s have “gone solar” already. The value of solar and storage battery assets already deployed in Davis exceeds $250 million, with existing benefits to the local economy exceeding $10 million per year, an economic impact equivalent to a double-digit permanent reduction in the retail price of grid electricity. For more on Davis’s local energy and sustainability pathways, click [here](https://joseph-braun-4dlb.squarespace.com/s/Greening-of-an-American-City-052218.pdf).

**What Works?** Locally regulated utility services (e.g. water supply and waste collection) are influenced by state policy. Some energy utilities (electricity and natural gas) are regulated locally. State regulated energy utilities are franchised by local jurisdictions in which they operate but, in most cases, have no economic incentive or requirement to collaborate. The IRESN City/Utility Project uses a general purpose strategic planning framework that focuses on situation analysis and strategic response to identify state policies and proven strategies effective in driving city/utility collaboration.

**Global Trends.** The IRESN City/Utility Advisory Committee recently received a briefing on [global technology and market trends](https://joseph-braun-4dlb.squarespace.com/s/Global-Energy-Technology-and-Market-Trends.pdf). For related US trends, click [here](http://www.eesi.org/files/Lisa_Jacobson_060818.pdf). National and state policies can either impede or turbo-charge local clean energy deployment. Either way, global trends are unstoppable. They increasingly need to be accounted for locally. City/utility collaboration will be the difference between integrative local infrastructure planning/investment and economically sub-optimal results on both sides.

**Finance - the #1 city/utility collaboration issue?**

Which components of smart cities are most likely to improve citizen well-being, reduce energy consumption and increase economic growth? European corporate and government leaders were asked to focus on four, i.e. intelligent transport systems, building efficiency and control systems, smart grids (including smart meters) and energy storage. Survey respondents identified lack of funding as the number-one obstacle to the roll-out of intelligent transport systems, the second most important obstacle to the implementation of energy storage and the third most important obstacle to the wider use

of building control systems. To read more, click [here](http://www.cleanenergypipeline.com/Resources/CE/ResearchReports/Smart%20cities%20in%20Europe.pdf).

**City Strategies.** The advisory committee was also briefed on [relevant goals and policies outside the US](https://joseph-braun-4dlb.squarespace.com/s/Relevant-Experience-Outside-the-US-dzj5.pdf). In Europe, for example, the EU and OECD have been facilitating dissemination of [smart city decarbonization best practices](http://www.cleanenergypipeline.com/Resources/CE/ResearchReports/Smart%20cities%20in%20Europe.pdf). In addition, [leading European cities](http://www.energy-cities.eu/Five-recommendations-for-100-renewable-cities-our-latest-report) have long term goals and strategies relating to energy self-sufficiency, community and city level net zero energy, and long-term energy resilience.

**California Policy.** Recent state energy policy announcements and proceedings in California have focused on [net zero electricity building standards](https://www.sfgate.com/business/article/Solar-to-be-required-on-most-new-homes-in-12901403.php?t=e70a1450d1) and [zero emission vehicle (ZEV) rate design](http://www.cpuc.ca.gov/energy/electricrates/). Meeting state goals will require state-wide economic integration of on-site solar, storage, and ZEVs. Meanwhile, [“Customer Choice”](http://www.cpuc.ca.gov/customerchoice/), is a once and future option recognized by California’s utility regulators.

**Community Choice.** In contrast to “customer choice” Community Choice builds on the foundation of experience cities have gained in managing local infrastructure and providing essential services. Having passed a tipping point in California, Community Choice must be accounted for in state-wide electricity forecasting and reliability assurance decisions. Evolving [Community Choice](https://sepapower.org/knowledge/how-new-york-california-planning-future-community-choice-aggregation/) business models may result in much needed local capacity for local resource development and integration. [Partnering Opportunities for Community Choice providers and their member jurisdictions](https://joseph-braun-4dlb.squarespace.com/s/Davis-and-VCEA-Partners-for-Sustainability-l7b2.pdf) will continually expand, especially where cities and counties have adopted resilience and sustainability goals.

**Who Will Lead?** California’s Community Choice providers may emerge as welcome and important facilitators of collaboration between cities and grid owners. California enabled Community Choice formation in 2002 before the need for this facilitation role was clearly demonstrated. California legislation may need to be updated to recognize and empower it. States now considering enabling legislation for Community Choice should take note.

1. The terms “city” and “utility” refer to two highly diverse groupings, i.e. local jurisdictions and for-profit companies franchised by local jurisdictions to provide local energy services. [↑](#footnote-ref-1)