

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	October 16, 2023
Action Required:	No Council Action Required
Presenter:	Lauren Hildebrand, Director of Utilities
Staff Contacts:	Lauren Hildebrand, Director of Utilities
Title:	Decarbonization Study Project Update

Background

The City of Charlottesville's natural gas utility is one of three municipally owned gas utilities in the Commonwealth of Virginia. The City of Charlottesville has provided reliable natural gas to the residents and businesses of Charlottesville and Albemarle County, including the University of Virginia, for over 150 years. Currently, the City operates and maintains a natural gas distribution system comprised of 340 miles of natural gas main lines and serves over 21,500 customers.

The City of Charlottesville, Albemarle County and other local municipalities have made commitments to community-wide greenhouse gas emissions reduction goals. On July 1, 2019, City Council adopted the goal of a 45% reduction in community-wide greenhouse gas emissions by 2030 and a goal of carbon neutrality by 2050. Both of these reduction measures will be based on the 2011 inventory year. Albemarle County has made the same level of emissions reduction commitments, measured from its 2008 inventory year.

As a result of the City of Charlottesville owning, operating and maintaining a natural gas utility, the utility's role and responsibilities regarding community-wide greenhouse gas reductions must be thoroughly evaluated. The Department of Utilities has solicited the expertise of an outside consulting firm in order to responsibly and accurately determine how the gas utility can be a part of the solution in achieving and aligning itself with the community's greenhouse gas reduction goals.

Discussion

The Study will determine the legality, under federal, state and local laws, of potentially discontinuing the natural gas system, and/or discontinuing future residential, commercial, industrial connections to the gas system. If one or both of these scenarios are determined to be legal, the impact to existing and future customers and the City of Charlottesville will be evaluated. The Study will also model various scenarios in which our gas utility can achieve or exceed the greenhouse gas emissions reduction goals. The modeling will evaluate cost impacts and resiliency implications to customers by looking at technology and energy efficiency improvements in order to reduce greenhouse gas emissions. In addition, the study will evaluate and make recommendations to improve the Charlottesville Gas Energy Efficiency Program and the operations and maintenance of the natural gas system. The City anticipates the project to take approximately one year to complete.

The consultant will present a status update on the Decarbonization Study's progress. The discussion will include the data the City has shared with the consultant, how a framework is being developed to evaluate technical and economic viability and the systems modeling methodology will also be defined.

Alignment with City Council's Vision and Strategic Plan

This Project contributes to Goal 3 of the Strategic Plan: A Beautiful and Sustainable Natural and Built Environment.

Community Engagement

The Department of Utilities and the consultant will gather input from stakeholders in the community and update Council and the community on the progress and results of the study.

Budgetary Impact

The Study will be paid from natural gas enterprise operating funds.

Recommendation

There are no staff recommendations and the presentation is intended to update City Council on the Study.

Alternatives

Attachments

1. Decarbonization Study Update Presentation - October 16 Meeting