

FW: [EXTERNAL] Re: FW: Meeting: Climate Initiative Update & Next Steps

From: "Aldretti, Susan K. - CC Senior City Council Aide At Large" </o=exchangelabs/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=6d61250692994200ae1fafc652d56a40-aldretti, s">
To: "Ortega, Deborah L. - CC Member At Large Denver City Council" <deborah.ortega@denvergov.org>
Date: Fri, 09 Aug 2019 14:23:01 -0400



Susan Aldretti
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Councilwoman At-Large Debbie Ortega
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susan.aldretti@denvergov.org

From: Aldretti, Paul - DPHE CE2267 Environmental Public Health Analys
Sent: Friday, August 09, 2019 12:11 PM
To: Scott Williamson <swilliamson@climatestrategies.us>
Cc: Thomas Peterson <tpeterson@climatestrategies.us>; Aldretti, Susan K. - CC Senior City Council Aide At Large <Susan.Aldretti@denvergov.org>
Subject: RE: [EXTERNAL] Re: FW: Meeting: Climate Initiative Update & Next Steps

Oops, forgot to copy Susan.

From: Aldretti, Paul - DPHE CE2267 Environmental Public Health Analys
Sent: Friday, August 9, 2019 11:59 AM
To: Scott Williamson <swilliamson@climatestrategies.us>
Cc: Thomas Peterson <tpeterson@climatestrategies.us>
Subject: RE: [EXTERNAL] Re: FW: Meeting: Climate Initiative Update & Next Steps

Thanks Scott. I agree we should be focused less on the process than what's actually in the legislation. I have some concerns that I believe you address in your comments but I want to clarify.

1. 1. This seems to ignore what the city has done up to this point in terms of programs and planning. It seems a much wiser move to ask, "Are our current efforts sufficient and, if not, what needs to be done to improve them? What funding is necessary to advance this work more quickly? What institutional capacity is required to do that?" This just seems to create a new department with little thought as to how that makes us more effective.
2. 2. I totally agree that there should be more specificity in how the funding will be used. I think this comes from answering the questions in my previous comment.
3. 3. There seems to be no contemplation of the unintended consequences – especially how this fee/tax

could negatively impact the very communities it is meant to support (those communities most vulnerable to climate impacts and to economic swings). To me the impacts of this tax/fee on commercial/industrial electricity include higher costs for goods and services and potential loss of jobs. Because of property tax laws in Colorado, businesses pay a higher rate than residences. If business disappear, revenue is disproportionately lost, causing cut-backs that almost always seem to impact low-income communities more.

4. 4. I am concerned the advisory group deliberately excludes representative from the private sector. My experience has been they often have a better grasp of practical realities than the academics that would make up the membership of that group.

Does that make sense? I'm including Susan Aldretti in this email. Susan is chief of staff for one of our at-large city council members.

From: Scott Williamson <swilliamson@climatestrategies.us>
Sent: Friday, August 9, 2019 9:33 AM
To: Aldretti, Paul - DPHE CE2267 Environmental Public Health Analyst <Paul.Aldretti@denvergov.org>
Cc: Thomas Peterson <tpeterson@climatestrategies.us>
Subject: Re: [EXTERNAL] Re: FW: Meeting: Climate Initiative Update & Next Steps

Paul,

I'll break my comments into categories, so the swirl of thoughts in my head has some order to it:

Process:

- * While a more deliberative process would probably produce stronger policy content, I doubt that content would be the basis of introduced legislation. Politics happens.
- * In DC, we had a big, long, well-analyzed, collaborative, coalition-driven effort to engage utilities, stakeholders, city technical and modeling departments. Spent lots of time and foundation money. The lead councilmember thought and thought, and really did listen, and finally had her staff write a totally different bill over a weekend before a deadline and hastily introduced it.
- * That's actually not a bad thing! They understand things won't work - about city capacity to implement, public acceptance of policy elements, committee dynamics that influence passage/revision, etc. Turned out to be a big win on policy, despite being a bad beat for the foundations' agendas. Implementation and improvement are the 2019-2020 processes for advocates but we have something to work with.
- * My suggestion, which you are free to ignore: don't fight/reject this initiative because of process. You have a rare point of access (a CM who will engage with you) which I personally would use as constructively as possible.

Politics:

- * "Tax" should be "Fee". It's for a specific purpose, not general revenue, so it's a fee. Good semantic politics too.
- * Overall I worry about the appeal. "Raise energy costs \$40+ million on local businesses in order to set up an office" is a rough way to start a referendum. Even green-roofing and efficiency, in the office bill at length, never gets a mention. What concrete thing could this be for?
 - * Build up an electric bus fleet?
 - * Build out a charging network?

- * Fund home efficiency upgrades, esp to low or moderate-income homes? (We will give you a free inspection and do a bunch of basic fixes for you!)
 - * Fund hard-to-capitalize upgrades in apartment buildings? Windows, boilers, etc..
 - * Capitalize a green bank!
- * Failed referenda can put action back by years, and that's a bigger danger than bad process, so the political resilience of this effort deserves optimizing, regardless of how this sausage has gotten made up to this point.
 - * The bill only charges fees on energy above a certain amount, seeking to protect smaller businesses, presumably. But that's not stated explicitly, just my reading between the lines of bill text. The referendum text completely ignores that key point - that's very problematic in my view. Explicit protections (businesses under a certain size, non-chain restaurants, etc.) would reassure voters, and be substantially valuable protections to the local economy as well.
 - * An alternative, for more clarity, is to state the safe harbor in numbers - the fee (not "tax") is charged only on kWh or therms above X per month. This gives you clarity.
 - * It also provides flexibility - instead of endlessly raising the gas fee (tightening the noose, critics will say) you slowly lower the safe-harbor level, calling it an incentive to drive efficiency measures. You're backing into a carbon-pricing model.
 - * Not surprised it isn't reaching gasoline - it's a 3rd rail. It picks fights with surrounding jurisdictions, it has major leakage issues (commuters buy gas at home instead of in Denver proper), etc. Sad as it is, c'est la vie.

Nit-picking:

- * Natural gas fee rises "10%" - is that compounded, or 10% of the original rate?
- * After 15 years the NG fee would be quite stout - what's the justification? Will the office grow? Will its programs expand? What's the office doing after 2025 that needs this money?
- * 70% of electricity from renewables - is that an average over a period, taking into account peak demand for cooling in the summer? Should be clarified.
- * Can the utility buy credits to meet the 70% target? Some credits are cheaper than the fee the office establishes. Your utility could talk to your PSC/PUC, and on June 30, 2020, buy \$2/MWh RECs from Iowa, which is 0.2 cents a kWh, and immediately avoid the entire electricity fee for less than the outlay involved to fund this bill. Costs passed through to all consumers of course (the PSC/PUC will agree). It would be the hero that "went green" and saved businesses from a tax. This wouldn't be actually true, as Iowa RECs are garbage in terms of GHG-reduction additionality, so it would also be a loss of policy effectiveness.
- * The office setup bill doesn't fund the committees and boards with any budget for basic costs (transportation, meeting space, coffee and donuts, printing, a staffer's time to coordinate all this, etc.). It should.

Hope this is at all helpful, and hope for a victory in Denver in the 2019 calendar year!

Scott Williamson

Program Management Officer, Center for Climate Strategies
 1850 M St. NW, Suite 840, Washington, D.C. 20036
 202-560-4962 mobile; 202-540-9121 office; Skype: yttocs37

On Thu, Aug 8, 2019 at 6:35 PM Scott Williamson <swilliamson@climatestrategies.us> wrote:

OK will do.

Scott Williamson, Program Management Officer
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On Thu, Aug 8, 2019, 5:22 PM Aldretti, Paul - DPHE CE2267 Environmental Public Health Analy
 <Paul.Aldretti@denvergov.org> wrote:

That would be great! I just got the new drafts so please use these.

Thanks!!!

From: Scott Williamson <swilliamson@climatestrategies.us>
Sent: Thursday, August 8, 2019 4:04 PM
To: Aldretti, Paul - DPHE CE2267 Environmental Public Health Analy <Paul.Aldretti@denvergov.org>
Cc: Thomas Peterson <tpeterson@climatestrategies.us>
Subject: [EXTERNAL] Re: FW: Meeting: Climate Initiative Update & Next Steps

Paul,

I'll give this a read (flight delayed so, beaucoup time now) but need to open my machine to organize thoughts and respond. Should come back late tomorrow (morning deadlines) or over the weekend, is that fast enough?

Scott Williamson, Program Management Officer
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On Thu, Aug 8, 2019, 4:22 PM Aldretti, Paul - DPHE CE2267 Environmental Public Health Analy
 <Paul.Aldretti@denvergov.org> wrote:

Here is a little insight. I consider Councilman Kashmann a friend and he's a big supporter of these bills. I think these emails will give you a sense of the thinking (or lack thereof) going into this. Because these were not official in nature, please use them for information purposes only.

Thanks

From: Aldretti, Paul - DPHE CE2267 Environmental Public Health Analy
Sent: Wednesday, July 31, 2019 8:47 PM
To: Kashmann, Paul J. - CC Member District 6 Denver City Council <Paul.Kashmann@denvergov.org>
Subject: RE: Meeting: Climate Initiative Update & Next Steps

Unfortunately, I disagree with just about everything you said. I know a lot has changed since the

L.A. project. However, I actually believe it's much worse than either the IPCC says or you believe. I still follow the climate news and research pretty closely, and almost everything that comes out indicates how much we've underestimated what's going on. Of course, there are two reasons for this – first, that our models are insufficient and, second, the climate and natural systems are much more complex than we have understood. Take for instance the fairly recent revelation that as plant growth accelerates due to additional CO2 in the atmosphere, the nutrition content actually decreases. Hence, even if we keep growing the same amount of grains and even if the population were to stay consistent, we would starve to death. Of course, this means that developing countries that are highly dependent on grains (many of which are also dependent on declining fish stocks for protein) are totally screwed. It's also why I harp on the fact that we need to start concentrating on adaptation mechanisms that have mitigation by-products.

I am not advocating either patience or waiting. You can act either rationally or precipitously (as with this course). But I believe the course you are championing (which you seem to admit is reactive and not very well thought-out) sounds much more hysterical than what people currently believe to be the case. I believe this approach does more harm to the narrative than one that is more thought out. I also firmly believe that a loss in November only alters the debate negatively. It's hard to be rejected by the voters and then expect to come back and say, "This time we have a better idea." And expect them to buy it. You can't start by saying, "Give us your money and we'll do something good, trust us." Without a good plan, you sound like a snake-oil salesman. I don't disagree with Jerry's quote, but I will tell you the right people to come up with bold (yet rational) action are not at the table. You should be talking with Tom Peterson at the Center for Climate Strategies (who attends all IPCC meetings as a recognized party), Roel Snieder at Colorado School of Mines, and Bill Becker (regional head of DOE under Obama). All people I know and have worked with.

I can't believe you weren't aware of my background! Before I came to work at the city last year, I was the program manager for SPARCC – a national program integrating equity, health and climate resilience. Denver was one of six cities nationally chosen to participate. I am happy to be of help, but I cannot in good conscience support this course of action.

Have fun in Paris – but don't collapse from heat stroke! When Susan and I were there last year we took a bike tour of Versailles – highly recommend that.

Still your friend,

Paul

P.S. My new favorite Dylan quote is, "All the people I used to know are an illusion to me now."

From: Kashmann, Paul J. - CC Member District 6 Denver City Council

Sent: Wednesday, July 31, 2019 7:15 PM

To: Aldretti, Paul - DPHE CE2267 Environmental Public Health Analyst <Paul.Aldretti@denvergov.org>

Subject: Re: Meeting: Climate Initiative Update & Next Steps

Paul –

First off, you bet, I respect you and think you are a good man. I look forward to spending more time with you in pursuit of mutual interests.

Second, I don't disagree with much of what you say in your message. The legislation being proposed is rushed. It will be a challenge to get a final piece of legislation that is as strong as the topic deserves. I have no doubt that whatever is crafted will need some additional work 6 months down the road. However, it is not political theater in any way.

What's changed since your work in L.A., is that warnings about possible impacts of climate change have shifted to a climate emergency where the IBCC is now telling us we have less than a decade to act before we suffer near catastrophic impacts. The time for patience is over. As Jerry Tinianow said to the Mayor at his going away gig, "The time for aspirational goals is past. It is time for bold action."

By waiting patiently to put something more complete before voters, we reinforce the belief that climate science is just a bunch of hysterics, and there is, in fact, time to wait. By moving with all haste, we change the narrative and emphasize that we are in a climate emergency with dire consequences. Even if we put something on the ballot that fails in November, we have altered the debate. If we do pass the bill, we begin collecting the money that we must have for any number of programs that incentive shifts in behavior and energy usage, whether that relates to electric vehicles, solar and wind power, improved building envelopes etc.

I was not aware of your depth of knowledge in this area, and whatever else happens, I hope we can drag you more closely into the discussion.

I'm leaving town for a week tomorrow – a bucket list trip with daughter and granddaughter to Paris. I'll look forward to talking to you when I return. In the meantime, I hope you will share your concerns with CM Clark.

One final illustrative thought from Mr. Zimmerman:

"Standing on the gallows with my head in a noose,
Any minute now I'm expecting all hell to break loose.
People are crazy and times are strange,
I'm locked in tight, I'm out of range.
I used to care, but things have changed."

Regards,

Paul

Paul Kashmann
Denver City Council, District 6
720-337-6666

From: "Aldretti, Paul - DPHE CE2267 Environmental Public Health Analysts"

<Paul.Aldretti@denvergov.org>

Date: Wednesday, July 31, 2019 at 2:44 PM

To: "Kashmann, Paul J. - CC Member District 6 Denver City Council"

<Paul.Kashmann@denvergov.org>

Subject: FW: Meeting: Climate Initiative Update & Next Steps

Because we know each other well and (I presume) respect each other I want to share a couple thoughts with you.

Perhaps because I spent so much time working on climate change (more than 20 years) I have a really hard time with this process. My experience compels me to think about this very strategically. That means having a plan that has been thoroughly considered, including strategies, impacts, costs, unintended consequences, etc. This process seems to put the cart before the horse – or more importantly, the money before the plan. When I was the project manager for the development of the L.A. regional climate plan (in response to California’s climate legislation) there was a very thorough process to identify more than 100 potential strategies for GHG reduction across a variety of contexts including buildings, land use, transportation, energy, etc. All these strategies included potential GHG reductions, costs, economic ROI (to identify those that produced economic as well as GHG reduction benefits), and other factors. With this in hand, the Southern California Association of Governments (their version of DRCOG) went through a process to prioritize the strategies, ending up with a much shorter list on which to base their investment strategy. They were then prepared to understand exactly what funding was needed and develop specific and appropriate funding mechanisms for different aspects of the plan. The idea of coming up with a single funding strategy for a plan to be developed seems anathema to me. By the way, this was when I was with the [Center for Climate Strategies](#) and is a model we used in many differing cases (including developing a transportation plan for the State of Maryland that would reduce GHG emissions while improving transportation efficiency in a cost-effective manner). Our team included climate experts, economists, planners, etc.

My second point is directly related to equity. I know there has been conversation about avoiding a regressive tax on those least able to pay it. However, I don’t believe the alternative for funding has considered the potential unintended equity consequences. Consider the potential outcomes should we adopt a tax on commercial and industrial companies. The additional costs would most likely get passed on to consumers – thereby increasing costs on everyone including the most economically vulnerable populations. When considering what businesses might be most endangered by increased costs, small businesses (particularly those serving low-income communities with services and jobs) are especially vulnerable. Other businesses might just leave Denver. This not only would cost jobs but it would have a huge impact on our revenues (because of Gallagher). If this requires budget cuts, what communities do you think would feel it disproportionately?

Paul, I hope you know I am totally committed to taking real steps for reduce GHG emissions. However, based on my experience, this process is ill-considered political grandstanding. I am completely adverse to creating another city bureaucracy that would probably spend money unnecessarily on administrative costs and lucrative contracts that could otherwise be used to the benefit of the climate and the community. I really think you need to talk to people who have done this other places and bring their knowledge to bear. I find the current process to be way too insular – there’s nothing worse than self-appointed experts!

Happy to talk.

Paul Aldretti

From: Carpenter, Tate E. - CC City Council Aide District 7
Sent: Wednesday, July 24, 2019 2:35 PM
Cc: Clark, Jolon M. - CC President Denver City Council <Jolon.Clark@denvergov.org>
Subject: Meeting: Climate Initiative Update & Next Steps

The Climate Change Work Group and Councilmembers Clark and Kashmann have been meeting with the Mayor's office on behalf of the larger stakeholder group to discuss the climate initiative. These meetings are ongoing but we wanted to do a check-in with the group as well as to provide an opportunity to ask questions and offer comments. Please join us for this follow-up meeting as we discussed next steps on Thursday, August, 8, 10-11 am in the City & County Bldg. Room 391 or call in the conference line 720-337-2007.

Thanks for your time!

Tate Carpenter | City Council Aide

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