Historical Perspective

During discussion of the Division 18 Solar Generation project at the October 2006 Board meeting, it was requested that staff report back to the Board with an energy policy for the agency. This report responds to this request and proposes a Metro Energy and Sustainability Policy for adoption by the Board.

In October 2006, the Board passed a motion requiring staff to prepare a draft Energy Policy, which is included within this report as Attachment A. Metro spends approximately \$30 million per year on utility costs for electricity, gas, and water alone, with \$26 million of those costs being just for electricity. Of the \$26 million expended on electricity, \$20 million is for propulsion power for the Metro Redline and other light rail lines, whereas \$7 million is for operation of our bus and rail maintenance facilities, layovers, terminals, and headquarters building. As the years progress, Metro also expects that these costs will rise along with periodic utility rate increases that will occur in future years. Staff believes that in this volatile and costly energy market, embracing sustainability, energy efficiency, conservation, and renewable energy sources is a primary pathway towards gaining control of, and reducing, Metro's energy costs.



METRO ENERGY AND SUSTAINABILITY POLICY

JUNE 2007

COMMITMENT

Due to our core business practice of providing public transportation, Metro is a large user of energy, both in fossil fuels and electricity. As a part of Metro's environmental and sustainability strategy, we are committed to responsible energy management, and will practice energy efficiency throughout our offices and divisions wherever it is cost effective.

POLICY

Metro's policy is to control energy consumption and embrace energy efficiency, energy conservation, and sustainability to:

- Avoid unnecessary expenditure
- Help in protecting the environment
- Improve cost effectiveness, productivity, and working conditions
- Prolong the useful life of fossil fuels by using resources more efficiently

OBJECTIVES

Metro's long term objectives are to:

- Reduce, whenever possible, Metro's use of fossil fuels through the use of ambient and renewable energy sources
- Buy fuels and electricity at the most economic cost
- Use fuels and electricity as efficiently as possible
- Reduce the amount of emissions, especially carbon dioxide (CO2), caused by our required consumption

Metro's immediate objectives are to:

- Gain more control over our energy consumption by aggressively pursuing renewable energy sources, take advantages of rebates and subsidies for energy and water conservation wherever feasible, conduct energy audits of Metro divisions and facilities, and implement energy conservation measures where they are feasible and fiscally prudent.
- Construct all new facilities and projects, including new transit corridor projects, using energy efficiency and conservation strategies. For buildings or structures over 10,000 square feet, projects must be constructed to achieve Leadership in Energy and Environmental Design (LEED) Silver certification, at minimum.