

President's Commission on Carbon Neutrality

Commission Meeting #12 12/13

13 December 2019 /1:30 PM/ NORTH CONFERENCE ROOM, GRAHAM

ATTENDEES

In Person:

Henry Baier, Liz Barry, Andrew Berki, Valeria Bertacco, Anthony Denton, Stephen Forrest, Jennifer Haverkamp, Brandon Hofmeister, Andrew Horning, Greg Keoleian, Jonathan Overpeck, Barry Rabe, Camilo Serna, Anna Stefanopoulou, Missy Stults, Logan Vear, Lisa Wozniak.

By Phone (for part or all of the meeting):

Stephen Forrest, Barry Rabe

Regrets:

Austin Glass, Larissa Larsen

NOTES

Updates

Welcome Valeria Bertacco

The Commission welcomed [Valeria Bertacco](#), the Vice Provost for Engaged Learning, and Arthur F. Thurnau Professor of Computer Science and Engineering, as a new member of the Commission. She replaces James Holloway, who departed U-M to become Provost at the University of New Mexico.

Commission 2020 Meeting Schedule

The Commission will increase the cadence of meetings in 2020. January meetings will focus on Commission deliberation and decision-making processes and a discussion with the [Integral Group analysis team](#) regarding their work to date. February meetings will include discussions with the [internal analysis team](#) faculty leads on their work to date, and March meetings are expected to focus on level-setting topics, as described below.

PCCN Fall Interim Progress Report

The Commission's [fall interim progress report](#) was released on December 2, 2019. See here for the [report executive summary](#). A Commission co-chair briefed the UM Regents on the contents of the interim report, and the work to be completed in the course of developing final recommendations by Fall 2020.

Internal Analysis Teams

The Commission approved adding [Lars Junghans](#), an associate professor in the Taubman College of Architecture and Urban Planning, as a faculty co-lead with [Jen Maigret](#) of the [building standards internal analysis team](#). Professor Junghans is an engineer whose research focuses on the development and optimization of high-performance buildings with a comprehensive view of all aspects of the building's thermal behavior.

Potential Future Level-Setting Sessions

The Commission discussed which topics should be priorities for future level-setting sessions during phase 2 of its work. The purpose of these sessions is to establish a shared baseline for understanding key issues among all Commissioners. Topics considered for future sessions included carbon offsets, utility plans for renewable energy development and transition away from natural gas, goal-setting frameworks, state and local policy and considerations, geothermal power, and green finance.

UM Budget Model

Amy Dittmar, the Acting Provost and Vice Provost for Academic and Budgetary Affairs, delivered a presentation designed to provide all commissioners with a baseline understanding of how the UM Budget Model works. Following her presentation and discussion, Tony Denton, Sr. Vice President & Chief Operating Officer, gave a presentation describing the budget and capital allocation process in Michigan Medicine. Then, Kambiz Khalili, Associate Vice President, Student Life; and Michael Wellman, Associate Dean for Academic Affairs, College of Engineering, explained how their units address trade-offs and priorities when making decisions on capital and operations projects.

In their remarks, Khalili and Wellman spoke about the various tradeoffs associated with decision-making on capital projects. For example, limited budgets can force decisions between increasing the energy efficiency of a building or including more rooms and programming in the building project. It was noted that some institutions address this by making additional funding available for up-front energy efficiency investments that exceed the minimum thresholds that are mandated by the institution. Also noted was the importance of identifying and correcting misaligned incentives that lead to localized decisions that conflict with systems-level objectives. For example, without proper incentives, research labs may be inclined to purchase less energy efficient equipment because of its lower purchase price.

During these sessions, Commissioners explored how future volatility and risk relating to climate change is factored in to unit-level decisions, and ways UM could potentially garner more favorable financing terms for projects with larger up-front costs but which have significantly lower operating costs. Alternative financing models for future carbon neutral building projects were briefly discussed.

For Acting Provost Dittmar's slide deck on the UM Budget Model, see [here](#). For Vice President Denton's slide deck on the UM Health System, see [here](#).