

**Climate Change, Energy, and Environment Commission (C2E2)**  
Draft

Summary of July 26, 2021

Virtual Meeting

Members Present: Joan McIntyre (Chair), Liliana Duica, Carrie Thompson, Jonathan Morgenstein, John Bloom, Stephen D'Alessio, Emily Emery, Joshua Griset, Linda Delgado, Kevin Vincent, Mikaila Milton, Majdi Shomali,

Members Absent: Timothy Effio, Shawn Norton, Gilbert Campbell

Guests: Board Member Takis Karantonis, David Shilton

Staff Present: Adam Segel-Moss (DES), Demetra McBride (DES), Charles Njoku (DES), Steve Burr (DES), Victoria Kiechel (DES)

**1. Public Comment on General Topics**

N/A

**2. Green Building Incentive Program – Cadmus Staff Introduction**

Demetra McBride introduced Victoria Kiechel. Victoria has worked with Arlington County for more than 10 years alongside staff on the Green Building Incentive Program. Vicky works for the Cadmus Group and is an architect. Demetra noted that Cadmus was previously used to fill this Green Building role in its entirety in 2016 when the staff person on the Green Building program was out on sabbatical for a year.

Staff brought Cadmus on to resume their work to fill the gap while a new staff person is hired. Cadmus staff will, under the task order, run the Green Building program in its entirety to review site plans, gather utility data from projects, and continue to review/approve permit submissions. There is also an element of the contract for onboarding and transition for the new staff person once they are hired. This will ensure no gap between staff and Cadmus and allow for institutional knowledge transfer.

Joan McIntyre welcomed Vicky and noted the importance of electrification and efficiency in Site Plan projects. She iterated that projects should be all electric from the get-go. The other area of focus is EV infrastructure, to go beyond the minimum, to meet the needs of EV adoption there needs to be more charging available.

John Bloom asked Ms. Kiechel about the Green Building program and to know if developers are walking away from the new 2020 program given the more stringent update. Vicky noted that 95% of projects are participating and there are no signs that this level of participation and demand will decrease, yet. However, she noted, the update hasn't applied to too many projects and time will tell.

Kevin Vincent noted that it would be very helpful to have developers just place standard outlets at all parking spaces. He noted that these can be level 1 chargers. Essentially, wall outlets in parking spaces. He expressed that wall outlets are all that folks need in residential spaces where cars are parked 14+ hour per day. Vicky agreed and noted that it is something staff will take into consideration.

Carrie Thompson asked if Vicky serves other neighboring jurisdictions. She asked if she works with other green building programs elsewhere, difference in developer mindsets elsewhere, and for insights on how to find how C2E2 can make common requests with other groups. Vicky noted that it is a larger conversation to most of the questions, but noted she's worked for Washington, D.C., Arlington, and within the Metropolitan Washington Council of Government. She agreed to talk more about those questions offline.

### **3. Energy Manager Introduction – Steve Burr**

Steven Burr started with the County as the new Energy Manager. Demetra McBride introduced Steve and gave a more in-depth introduction. He came to the County with a background in local government, with previous experience working at the City of Richmond, VA and Raleigh, NC. She noted that he maps out value propositions and deliberately works across stakeholders, as well as a convener. Most recently, he worked for Washington Gas running their energy efficiency programs in residential as well as multi-family commercial buildings. He is filling the position that was previously held by John Morrill.

Demetra also noted that Steve will be working with the Facilities department, CIP, on-site solar, VPPAs, and VEPGA.

Joan McIntyre noted that the Commission has been very focused on Community Energy Plan implementation and is expecting a Roadmap that would reflect the ambitiousness of the program itself. Additionally, the C2E2 is focused on getting to carbon neutrality as quickly as possible, full electrification, moving away from fossil-fuels across the county, energy efficiency, and renewables.

Jonathan Morgenstein welcomed Mr. Burr to join the Energy Committee in September. Jonathan asked how Steve's previous work for Washington Gas might cloud or influence his work with the County. Steve noted that he is a data-driven individual. He is focused on supporting the County, using analytics to make decisions, and how/what fuel is used really drives the needle on greenhouse gas emissions reductions. He is committed to working with the C2E2 and staff to help bridge the gap and reach the CEP goals. Jonathan asked what Steve's position is on electrification. For example, what would be cost effective now vs. what needs to be done in order to meet long-term goals. Jonathan noted that he hears from staff and developers that it costs more to replace electric equipment instead of fossil fuels. Demetra noted that it is a good question, but the issue of electrification as posed, is a policy question. It is a question that the Board must decide. Staff executes policy. Demetra noted analytics, due diligence, and reporting are bright spots for Steve. She noted that staff will be continuing this discussion and thanked the Commission for their interest.

John Bloom asked about the scope of Mr. Burrs baseline job description. John clarified that he is interested to know if Steve will be focused more on a core Energy Manager role related to County Government facilities and operations, or, if significant time and energy will be focused on residential, commercial, transportation, VPPAs, etc. Is it governmental or community-wide? Steve noted he will be focused at County facilities and County-wide. Demetra noted that Steve will be at the kick-offs and formative meetings for the ART Bus Feasibility Study as well as the Decarbonization of Transportation Master Plan.

Kevin Vincent asked that Steve and staff balance competing priorities. He commented that it is important to balance the spending of taxpayer dollars efficiently, but there are policies like the CEP that strongly require that the County take steps to meet energy neutrality by 2050 which requires action now.

#### **4. Legislative Letter Review and Approval**

The commission discussed and amended the Legislative letter in their June 28 meeting. It was deferred until July for deeper discussion and amendments. The letter was again discussed and amended at this meeting.

The Legislative Letter was reviewed and approved unanimously as amended.

#### **5. Lubber Run Power Purchase Agreement (PPA) Update**

Demetra McBride provided an update on the planned roof-top solar installation at the Lubber Run Community Center.

Ms. McBride noted that the County is committed to 100% renewable electricity for government operations by 2025. A County sub-goal of 50% renewable electricity by 2022 has already been reached. This project increases County renewable electricity by .5%.

Some of the project highlights include:

- Project est. capacity: 231 kW
- County Board Approval 21-Jul-2021
- Notice to proceed to be issued on full execution
- Est. start of engineering design – August 2021
- Operational Date: no later than Q3 2022
- Contract Term: 30 years
- Base rate 0.085 kWh with 2% escalator
- County retains all Renewable Energy Credits (RECs)
- 1<sup>st</sup> buy-out opportunity at 7-years

Risk mitigation and contracting factors are noted below:

## MARKET FACTORS



- **RISK:** Wholesale market rates fall below County's fixed rate for an extended period
- 3<sup>rd</sup>-party expert analyses forecast rising costs for natural gas and wholesale electricity in Virginia in the future

## PROCUREMENT FACTORS



- Post-FERC/MOPR ruling, Dominion is not offering VPPA opportunities
- Henrico Co. only actionable & rideable contract in VA
- Dominion base rate for electricity 0.09 kWh; 0.091 kWh for Green Power
- **NEXT STEPS** – Solar assessments of candidate County buildings
  - Direct RFP

The 3<sup>rd</sup>-party analyses were performed and provided directly to the County Attorney's office as this information was confidential.

- Four general areas of detailed analysis/projection included:
- Alternate pricing structures offered (w/ RECs and Green-e)
- Compared price/cost for Green Power from DEV
- Transactional terms and recommendations
- RECs implications

Below are the use and rate methodology. This is a detail of the approach toward rightsizing and due diligence for the projections. That includes PV generation, battery storage, one-year economic analysis, Dominion retail rate analysis, and the total 2021-2050 forecast for the wholesale/retail markets. It also includes a detailed analysis of the load profile.

- **Load profile analysis** to estimate the pre-COVID monthly energy consumption, average daily electric load, and monthly billing load for Lubber Run
- **PV production assessment** to estimate the energy and demand contribution of the proposed PV system relative to the energy requirements of Lubber Run (including battery storage at site)
  - Compared daily/hour load estimates with PV production curves
- **Year 1 economic analysis** to estimate the average utility electricity charges before and after PV, and year 1 PPA costs
- **Dominion retail rate analysis** to estimate the growth rate of DVP retail electricity rate from 2021 to 2050 (factors in VCEA)
- **2021-2050 forecast** to estimate the annual and total economic savings of both PPA options compared to utility green power over the thirty-year analysis period from 2021 to 2050

Demetra noted lessons learned and next steps. She noted that hitting the County's 2025 target, onsite solar will not alone hit that goal. The County expects that another VPPA will be needed to hit County goals.

Other next steps include:

- Working with PJMCC and WRI to track MOPR reform, and possibility of multi-jurisdictional VPPA
- Legislation – ideal if VA allowed parties to purchase RE independently
- VEPGA renewal next year
- Solar engineering assessments for candidate buildings
  - Independent RFP for Arlington County

## **5. Review of 2021 Priorities and Work Plan**

The commission discussed and amended the 2021 C2E2 Work Plan and upcoming priorities.

## **6. Return to In-Person Meetings**

Adam Segel-Moss provided an update on the return to in-person Commission meetings. He noted that given the expiration of the Virginia Emergency Declaration – meetings must now be held in-person as of September 1. Staff are still working to identify the specific room and technology to manage the return. Staff asked for patience and flexibility from everyone as we reconnect. Adam detailed other legal requirements associated with virtual or in-person meetings. As the date approaches Adam agreed to provide additional details and logistics.

Commissioners expressed concern about the surging delta COVID virus. Adam noted that staff are also concerned but the current legal framework does not allow for flexibility. There has been some talk of the County Board acting to set a local emergency declaration.

Commissioners discussed focusing their feedback to the Board. Adam will provide updates as they evolve.

## **5. Meeting Minutes**

The Commission moved and unanimously approved the meeting minutes.

## **6. Old/New Business**

John Bloom noted that he agreed to be the C2E2 liaison to the Biosolids Masterplan. That group will be starting back up after a hiatus. The groups provide feedback to the County as it moves toward a \$100+ million-dollar improvement to the water treatment facility. John also agreed to serve as a liaison to the County's Roadmap development. There have been several meetings dealing with high-level process planning. How the draft moves toward something that is more warmly received by the community. The main issues identified include how to condense strategies, prioritize the strategies, and then how to sequence them across time. The goal is to set near- (1-2 year), mid- (2-5 years), and long- (5 years on) term goals and drop each strategy into those buckets.

Demetra McBride highlighted that the county is exploring an agreement with ChargePoint for EV charging as well as with Greenpoint for their EV carshare. Highland transportation conversations are ongoing to set EV charging for APS school buses. The ART Bus feasibility study is moving forward under a state contract with Kimley-Horn. The Energy Assurance Plan is on track to be completed. The Solar co-op is excelling this year. The project has been more successful this year as compared to any prior year. The Board approved a new County Net Zero Energy housing facility for communities with disabilities.

Meeting ended: 9:10pm