

# Arlington County C2E2 Energy Committee

## Meeting Summary

Wednesday, October 13, 2021

7:30 am – 9:30 am

## Agenda Items

1. Greetings and introductions **(7:30)**
  - Adjin Muratovic, Greg Brozak, Zach Thal, and Stephanie Gagnon all introduced themselves.
  - Related to the meeting agenda, Jonathan Morgenstein (Energy Committee Chair) noted that he'd like to visit, as time permits today, the new legislative updates from the County Board activities.
2. Review/approve agenda and September meeting summary **(7:35)**
  - Both were approved unanimously
3. Public Comment on General Topics **(7:40)**
  - None
4. Arlington County Biosolids Master Plan Advisory Panel – Update **(7:45) – Claire Noakes**
  - This is a small Advisory Panel – Claire represents the Energy Committee (EC)
  - Claire listened / watched a presentation early in the public engagement session
  - An issue where the County wants feedback:
    - The Water Pollution Control Bureau (WPCB) is looking to launch a large construction project to reclaim energy from wastewater treatment and solids
  - The consultants – HDR Inc. – assessed three different alternatives on how to structure, develop the Water Pollution Control Plant (WPCP). There are multiple objectives to the study:
    - 1) Capture biogas from the solid waste, then figure out what to do with the gas
      - Option: Burn the biogas by using it for the steam boiler on-site. This would replace the use of some of the natural gas from Washington Gas.
        - Would cost \$10M.
        - 75% of the gas would be flared off
        - No electricity is being produced in this option
    - 2) Install CHP equipment
      - \$17M capital cost
      - Little would be flared off
      - Would produce power
      - Would generate about 1.5 MW – or 35% of WPCP electricity needs
      - Would still need to purchase some natural gas
    - 3) Create a refined gas end-product (renewable natural gas, RNG)
      - Would cost \$22M
      - Gas would satisfy requirements as fuel or could be injected into WGL pipelines
      - No electricity would be produced
      - We would essentially become a refinery, a natural gas producer

- Consultant is recommending option #3, considers it to be the most financially beneficial
- Renewable IDs (RIDs) – there is a healthy market for this
  - (Editor’s Note: There are also Renewable Identification Numbers (RINs) under the Renewable Fuel Standard (RFS) program - see <https://www.epa.gov/renewable-fuel-standard-program/renewable-identification-numbers-rins-under-renewable-fuel-standard>). Then there also Renewable Volume Obligations (RVOs), as noted here: <https://www.eia.gov/todayinenergy/detail.php?id=11511>), which are part of the RFS program.
- Biogas is valued relatively high
- Option #3 does not reduce WPCP natural gas or electricity demands
- The WPCP is closely located to the ART Bus facility.
  - Does that make it very hard to resist using in the ART fleet any of the resulting gas produced?
- Financial risk concern: Municipalities must protect themselves from market risk.
- RNG projects in the US – there are 194 that are operational and 149 under construction and over 100 that are planned.
  - While the demand for RNG will be there, what happens if the supply outpaces the demand? Where does that leave the County’s financial plan for option #3?
- Q&A:
  - Scott S: Supports option #2. We should support a project that reduces the most carbon and is also economically viable. We should strongly reject option #3 since it goes counter to our push to electrify.
  - John B: RIDs are just for transportation – can only get paid for RNG when it’s used for transportation purposes (it’s an EPA program).
    - Larger problem: it sounds like the consultants are advocating that others benefit from buying the RINS (which are different than RECs?) AND the County can also reduce our public sector GHGe. This is double-counting.
  - Joan M.: Think about the balance in using the RNG for other purposes within Arlington; not comfortable just putting the resulting gas into the pipeline. Consultants did not show how much fugitive emissions could be created in the production of the RNG and how much is possible once the RNG is produced; the consultants stopped at the fenceline. More details are needed.
  - Rick K: This is a 25-year plan. Whatever commitment we make now will last for 25 years, i.e., close to 2050.
    - Also, the County would need to refine the gas before being able to to sell it to Washington Gas. However, such refinement is not needed to use in the ART buses. WMATA buses also need higher refinement.
    - Prefers option #2 the most.
    - Also, facility has a lot of flat roof space; why does it not have solar PV to serve electricity needs?
  - John B: Is the WPCP part of the Arlington County commitment by 2025 for 100% renewable electricity for County operations? A: Yes.
  - Demetra: The County is working on the 2025 goal, which can include RECs.
- **Next steps:** Draft a letter in time to vote on it by the next EC meeting to respond to the consultant’s meeting and presentation.

## 5. Update on CEP Roadmap Progress (8:00) – John Bloom & Scott Brideau

- County staff updated the EC on where the CEP Roadmap is regarding the development of the text of the Roadmap draft and the consolidation and prioritization of the Strategies.

- John B: Three issues of note:
  - 1) Prioritization – the project is providing a timeline prioritization and not a prioritization of GHGe.
    - EC OPTION: If the County is not prioritizing based on GHGe as the most important thing to do, then the EC could develop its own analysis and provide that to the C2E2 and then to the County Board
  - 2) No additional Strategies, other than an Energy Equity Strategy, was added. We’d like to see an Electrification or Decarbonization Strategy, so it seems like the County wants to use natural gas much like it is doing today.
  - 3) Last – not much new on the whole-of-government approach to addressing climate change.
- Q&A:
  - Rich: The draft CEP Roadmap and its Strategies are all aligned to show how the community will get to carbon neutrality by 2050. By nature of being a Roadmap Strategy, each Strategy helps the community reach all of the CEP goals.
  - Demetra: Even though changing out the ART Bus fleet to all-electric has a relatively small impact on reducing the community’s GHGe, we still see the benefit to making that shift and leading by example.
  - Jonathan M: Yes, each Strategy helps us get to the 2050 GHGe goal. However, the prioritization of Strategies do not quantitatively show how much each Strategy reduces the GHGe.
    - Each Strategy should indicate how *feasible* it is to implement in the short-term, as well as how *impactful* each Strategy is to meet the GHGe 2050 goal. Last, advocating for electrification of buildings as a Strategy is not a new policy.
    - Demetra: When we look at feasibility, we look at the regulations, market changes, and technology changes that will allow us to implement each Strategy. The County Board recognizes those variables are in play when it comes to feasibility.
  - John B: The EC would like to see “electrification of buildings” or “decarbonization” to be billed alongside “energy efficiency” in the CEP Roadmap as a key Strategy to get our community to its 2050 goal. The Roadmap should denote the benefits of moving away from fossil fuels.
    - Demetra: The GB Program advocating for zero energy buildings, and the County’s Facility Sustainability Policy both already do this, and the CEP Roadmap will make note of that
  - John B: Another way to prioritize: Magnitude of how much a Strategy gets us to our GHGe goal of 2050.
    - “Reducing use of fossil fuels” needs to be explicitly stated in the Roadmap
  - 4Q of CY 2021 – County staff will review what the consultants provide the County and will provide the public with a draft at an appropriate time, i.e., when it is substantial enough for the public to review and comment on.

## 6. FY23 budget and *American Rescue Plan Act* (ARPA) funds (8:25) – Jonathan Morgenstein

- The EC would like the C2E2 to write the County Board a letter that advocates using the ARPA funds to help with CEP implementation. The EC will draft a letter to send up to the C2E2.
- a. Current status of both funding sources (8:25) – AIRE Staff
  - FY23 budget work is already underway
  - Demetra has put in line items for CEP implementation

- December will be the time for more substantial discussions about the operations budget.
- As part of the County Board's guidance to the County Manager for the FY 2022 Budget (see item #14): <https://www.arlingtonva.us/files/sharedassets/public/budget/documents/final-cbo-fy-2022-budgetguidance.pdf>, Christian Dorsey issued a request for whole-of-government approach to CEP implementation.
  - Demetra: We can send the formal CB guidance after this meeting.
  - In December / January, the County Manager goes back to the County Board and replies to that guidance.
- Demetra: For ARPA funds, the money was meant to plug the gaps created by the Covid pandemic.
  - As of now, we are hearing that the \$12.2M of the available ARPA funds will be used to help augment transportation funding due to the pandemic. We are also hearing that County staffs' stagnant salaries could be helped with some of those funds.
  - AIRE would benefit from that since that reduces the amount of General Fund money needed to plug those income gaps, thus making more General Fund money available for AIRE budgetary requests and needs.

b. Potential options for ARPA funds (8:35) – Claire Noakes

- Claire put into this Teams meeting's Chat what the County Manager would use the ARPA funds for.
  - He did not see the need to spend about \$12M of those funds
  - On October 19, the County Manager plans to show how it intends to spend that \$12M. The County Board will respond to that draft approach.
- What is the biggest bang for the buck? For FY23, what does the EC think the County should do in the budget to show how it plans to support CEP implementation in the short-term?
  - Staffing for AIRE? Other staff? Other operational needs?
  - Goal is to draft recommendations to include in a letter for the EC to send to the C2E2 County Board in November will provide budget guidance, so this is a timely discussion.
  - Scott D: In the past, when AIRE staff have left the team, the County has seen the ability to reduce AIRE staff. We should address that issue.
  - Jonathan M: We should advocate for a permanent County Manager Office position to be funded, for a Chief Climate Change and Sustainability Officer. That was noted during the last budget discussions.
  - Rick K: He is against establishing a new Chief Climate Change and Sustainability Officer. That is \$150-175k that could be used for other matters. He sees *transportation equity* as a key area for the use of ARPA funds, e.g., add electric buses to routes going through LMI communities in Arlington. He is less bullish on the budget outlook and agrees with Scott D about preserving AIRE FTEs.
  - Demetra: Regarding AIRE positions, we are interviewing candidates, keeping in mind we are challenged with the current competitive job market. We are prioritizing which positions are to be filled first, especially given the timing of the CEP Roadmap.
  - Joan M: Do we want to include recommendations on how important it is to address climate change? Could the C2E2 letter ask the County Board guidance to the County Manager to showcase the need to address climate change, with some specificity, absent the draft CEP Roadmap to rely on. In addition to protecting current AIRE team positions, we should look to augment AIRE staff to get back up to past AIRE staffing levels.
  - Claire: Should our budget letter mirror the legislative priorities letter we issued? For example, the EV and EVSE items for which we advocated? Could we offer incentives for people to buy EVs or to install EV chargers in their homes or buildings?

- Joan M: Should we increase outreach to let the public know about programs, incentives, etc.?
  - John B: Echoes Rick K.'s thoughts on the new position at the CMO level. Also, echoes Joan M.'s thoughts about indicating through its budget how important it is to address climate change. For instance, there are about 12 staff working with multifamily building owners on how to reduce car use/VMT, but not on electric vehicle usage. Also, he supports keeping and expanding AIRE staff FTEs.
  - Scott D: Equity and energy intersections need to be showcased and explained as part of the budget process. It's important to show how we plan to address energy equity issues through the budget process.
  - Demetra: We are actively tracking grant opportunities. We see the need to address LMI communities. Also, the County Board and CMO in the past has indicated the need to address the LMI community.
  - Rick K: Also, the County Manager will indicate how the County plans to use the leftover/unspent (carryover) FY21 funds.
- c. Discussion and vote on FY23 budget recommendations and ARPA funding **(8:45)—Jonathan Morgenstein**
- Jonathan listed the draft items to include in a letter.
    - New CMO position – majority approved.
    - The rest of the draft items were approved en masse to be included in the letter to send to the C2E2.

**7. CY22 Leadership Roles (9:10)—Jonathan Morgenstein**

- Jonathan's family is expecting a new child, and his DOE job portfolio has increased, causing the need for him to step down as the EC Chair.
- The Chair needs to be a C2E2 member; the Vice-Chair does not need to be a C2E2 member.
- We are looking for someone to step in as the new EC Chair. Please also keep recruiting
  - **ACTION:** Let Jonathan M. know of your interest.

**8. Member updates (9:25)**

- John B: Talked about the draft legislative package made public by the County Board.
  - Benchmarking of buildings and getting authority for localities to go beyond the State Building Code are both missing from the draft package.
  - Also, supporting 3<sup>rd</sup> party financing of energy efficiency was not in the package.
  - To what extent do we want the County Board to expressly address climate change issues through this package? Dropping the gas leaf blower issue is an example.
  - The hearing is this Saturday.
  - **ACTION:** Let Joan M know before Saturday any comments you would like her to include in any testimony she plans to provide on the legislative package at this Saturday's meeting.

**9. Adjourn (9:30)**

- The meeting adjourned at 9:36 am