

Arlington County C2E2 Energy Committee

Meeting Summary

Wednesday, April 7, 2021

7:30 am – 9:30 am

Agenda Items

1. Greetings and introductions. **(7:30)**

- Doug Snoeyenbos was introduced as the newest Energy Committee (EC) member.
- Josh Griset joined the meeting from the public.

2. Review/approve April meeting agenda and March meeting summary. **(7:35)**

3. Public Comment on General Topics. **(7:40)**

- None

4. *Update on Dominion's and the clean energy transition* **(7:45) - Demetra McBride**

a. Discussion – **Jonathan Morgenstein**

- In 2019 FERC adopted the minimum offer price rule (MOPR) – dealing with PJM territory.
- We in January 2020 adopted the VPPA
- April 2020 the FERC rule was upheld, and in early 2021 FERC ruled again on MOPR¹
- FERC seats are open, people are moving out
 - June 2022, Biden administration will be able to bring in their FERC Commissioners
- There have been FERC Technical Workshops to discuss the MOPR
- PJM produces a triennial plan and has auctions. FERC told PJM to proceed.
- The current FERC Rule will impact the upcoming auction. Some industry sectors are impacted by artificially high solar PV costs.
- Demetra met with Dominion Energy in early 2021 after the MOPR Rule was upheld.
 - Arlington County was interested in more VPPA transactions.
 - We were planning to enter into a VPPA that would exceed the County's renewable electricity goal and would help the community reach its 2035 goal.
 - DOM told us they were not planning to do more VPPAs.
 - DOM wanted Arlington to help them clean the grid

¹ "The Federal Energy Regulatory Commission on Thursday [2/18/21] voted 3-1 to vacate an "infamous" footnote added to a rehearing order on the PJM Interconnection's broader minimum offer price rule (MOPR) proceeding." <https://www.utilitydive.com/news/ferc-finally-ends-pjm-mopr-proceeding-paving-way-for-grid-operators-nex/595339/>

- Dominion Energy refers to “clean energy” not “renewable electricity”, the former of which includes biomass fuel and nuclear energy.
- Is that an acceptable definition of “renewable electricity” with EC?
 - Dominion Energy’s goals are zero carbon by 2050, not 100% elimination of GHGe. They plan to use up to 25% RECs to offset any GHGe they still use by 2050.
- We are hoping the MOPR Rule will change and will help improve the pricing for the solar industry.
- Josh Griset worked at FERC:
 - PJM role is to operate a marketplace of energy generators.
 - Regional transmission organization (RTOs)² are favored to the lowest bidder.
 - MOPR sets a bottom floor for what a producer can bid. For example, no can sell for less than \$5.
 - MOPR is intended to prevent resources from offering energy resources into the market at artificially low prices.
 - This is done because NE states adopted RGGI, and they used to subsidize renewable energy sources.
 - Those subsidized renewable energy sources, e.g., wind energy, would bid at \$0 and even at negative dollars, because they would have a \$20 subsidy and could make such bids and still make money.
 - The fossil fuel industry cried foul.
 - Chairman Glick was blistering of the MOPR Rule, but it will take time to change that rule.
- Q&A:
 - Michael Herbert – There are currently a couple of ways to exempt resources from the existing rule.
 - Can file for a unit-specific chance to enter a bid at cost. Michael is looking at that for energy storage since those costs are lower than the MOPR.
 - There are also some projects that are not being subsidized that could seek a waiver from MOPR.
 - The technical conference outcome noted that FERC needs to address state-level policies. PJM is also holding technical workshops, recently done.
 - PJM is contemplating what happens in New England, where they run the capacity market twice; there’s a clearing price for subsidized resources then another clearing price for non-subsidized resources.
 - Scott Sklar – A lot is happening, since most resources are subsidized.
 - Resiliency has to play a role in this. Traditional fossil fuel resources are not as resilient as other resources. It should not be all about price, see the issues in Texas.
 - To guide Arlington to help guide others, Demetra’s take on the renewable electricity definition is key to Arlington reaching its goals.

² <https://www.ferc.gov/electric/power-sales-and-markets/rtos-and-isos>

- Jonathan M – Until anything changes, can Arlington contract with another generation provider (other than Dominion Energy) to enter into a VPPA?
 - DJM: There may be a slice of relatively expensive energy available from the State to local governments.
 - PJM CCC – We are joining the RMI City Counties Coalition (CCC) discussions. RMI formed the CCC through a grant it received.
 - Arlington County has been approached by two corporate entities interested in possibly partnering with local government. We need to see how such partnerships could happen under all of the various rules under which we operate.
- John Bloom: The Dominion Energy goal of 75% clean energy by 2035 falls short of our 100% renewable electricity goal for our community.
 - The Dominion Energy clean energy definition is an issue. Dominion Energy was stating that injecting Smithfield pig farms would help green the grid (biofuel).
- Demetra: VEPGA agreement has a non-compete clause.
 - If we negotiate through energy generators outside of PJM territory and outside the State, then we would be using RECs and would be in agreement with the VEPGA agreement.
 - AG opinion is being asked for to see if a VPPA like the above would not run afoul of VA Procurement law.
- Demetra: CCA study being done by Loudoun County – RFP is coming out.³
 - What are the implications for CCA? Can the County determine that?

5. Intro to the new EC Charter (8:10) – Stephanie Burns

a. Discussion of content

- See Attachment 1 for a copy of the draft charter
- C2E2 changed its charter in April 2021. So, the C2E2 Energy Committee wanted to look at the EC Charter to make sure it was current.
- New draft EC Charter is patterned after the C2E2 Charter
 - **We need to develop a roster of member contact information**
 - Draft Charter includes a process for joining the EC.
- There are currently no term limits for the EC members, compared to the CB Advisory Groups that do have term limits
 - **Check with the CMO to see if the other CMO Advisory Groups have term limits**
 - Rich is checking with the CMO to see what other CMO Advisory Groups have for term limits for their members
- Q&A:
 - Claire: Membership and areas of expertise: Should we consider community activism or something regarding expertise about the community but not experts in energy? Also, failure to attend three meetings without notice, do we want to make it more stringent? Also, should we note the distinction/difference between

³ <https://www.loudoun.gov/bids.aspx?bidID=724>

an EC member in this public body versus someone who has been appointed by the CB.

- Kevin: Do we run into a lot of vacancies for the EC? Has it been hard to keep members? A: Generally, no.
- John Bloom: As a former EC Chair, a two-year commitment to chairing the EC might make people uneasy and unwilling to raise their hand given the Chair's demands.
- Rick: Should we denote when we meet each month? Maybe say two hours once per month?
- Next steps – talk offline and provide input on the draft.
 - See the Google Docs link in the chat.
<https://docs.google.com/document/d/1MliNMIHBqOkVHchE6L60QmVXlRMtiAIQEtK4uHitBZU/edit?usp=sharing>
 - Stephanie suggested sharing the draft with the NAACP to have them review, comment on it. No concerns were voiced about doing that.
 - Also, send Stephanie suggestions of other groups to which the draft Charter should be sent.
 - Goal is to send it to C2E2 and then adopt the updated Charter in June/July 2021.
- Many thanks to Stephanie for pulling this all together!

6. Letter C2E2 sent to County Board (8:40) – Tim Effio

a. Discussion of content

- See Attachment 2 for a copy of the letter
- Joan McIntyre described the C2E2 letter sent to the CB
 - Overarching theme: this next budget is a bridge budget
 - The County should address climate change, especially make itself available for outside funds if/when they become available
 - Chief Climate Change and Sustainability Officer in the CMO is needed
 - Numerous other requests were listed in the letter
 - Joan made similar comments at last night's County Board hearing.

7. Update on other community group activities (8:50) – Jonathan Morgenstein

- ICF as a vendor as part of the AIRE Energy Services Contract, there are possible conflict of interest issues since ICF gets national funding from fossil fuel industries, such as the natural gas industry.
 - Concern about the County using ICF for the ART Bus Fleet Study.
 - Washington Gas is opposed to the electrification of buildings. AltaGas, 100% owner of Washington Gas, is an ICF client.
- Let the EC know of the draft SOW and RFP for the upcoming Energy Services Contract efforts
- Joan M: Can we note in the Task Order for the CEP Roadmap that we are seeking electrification of the building and transportation industries?

- We already have ICF using the draft CEPIF as a foundation for the CEP Roadmap. The CEP and draft CEPIF already spell out the CEP adopted goals and policies.
- Kevin: Agrees with Joan's sentiments.
- John Bloom: The current energy modeling underlying the CEP does not assume migrating away from natural gas for buildings.
 - Correct. The energy model assumes energy efficiency gains, recognizing there are numerous ways to achieve that energy efficiency.
- Claire: Resiliency may provide a role for natural gas. We have not had a community conversation about resilience and how we address that completely.
- Joan M: Can we be more specific in the CEP Roadmap, whereas it might not be as specific in the CEP regarding reducing the use of natural gas over time.

Carrie Thompson and John Bloom talked about EcoAction and Sierra Club

- Carrie:
 - EcoAction Arlington's goals are similar to C2E2's goals.
 - EcoAction Arlington submitted a 6-page document to the CB about the CEPIF. The letter has many similar requests to the C2E2 letter to the CB.
 - EcoAction Arlington is a volunteer group (used to be known as ACE – Arlingtonians for a Clean Environment).
 - It is paid to run some Arlington County programs.
 - Last year an Advocacy Committee was formed. It's goal is to reduce GHGe.
- John:
 - Sierra Club has a nested structure, it is a 501c3, c4, has state PACs in every state, and over 300 local groups – all working together as closely as possible.
 - There is strong State Sierra Club chapter in Virginia, 13 paid staff.
 - Rick Keller and Dean Amel are active volunteers.
 - Locally there is a 9-member Executive Committee.
 - There is an upcoming opening in that Committee for anyone who might be interested. Also, Chairs are needed, such as a Chair for Green Building.
 - Anyone who wants to commit time to the effort, please reach out to John and/or Rick.
 - John provided a [link](#) to a 2-minute Sierra Club overview.

8. New business/ Other member updates (9:20)

- a. *Update on Call with APS Superintendent's Advisory Committee on Sustainability (SACS)*
 - b. Request for volunteer to bring expert in May to discuss energy equity issues.
- Jonathan and Claire met with the Chair and Vice-Chair of the APS Superintendent's Advisory Committee on Sustainability (SACS).
 - SACS sees themselves as dealing with the APS curriculum.
 - They may be interested in partnering with the EC on future endeavors.
 - EJ and Equity issues:
 - Looking for an expert to come speak about these issues at a future EC meeting.

- Jonathan asked for a volunteer to help find someone with knowledge on these issues to present at the May EC meeting about energy equity.
- A DOE Equity in Energy link was provided

9. Adjourn. (9:30)

- Meeting was adjourned at 9:33 am.

ATTACHMENT 1

ENERGY COMMITTEE DRAFT CHARTER

Climate Change, Energy and Environment Commission (C2E2) Energy Committee Charter

Draft - April 2021

Introduction: The Arlington County [Climate Change, Energy and Environment Commission](#) (C2E2)⁴ Energy Committee (EC) serves two primary functions. The first, as an advisory committee to the C2E2. C2E2 considers the EC's recommendations of the Energy Committee providing counsel to the County Board of Arlington County (Board), Virginia on matters pertaining to energy, energy-related greenhouse gas emissions, energy equity, and energy resilience. Second, the EC provides counsel directly to the Arlington County, [County Manager's Office](#) (CMO), and relevant subordinate agencies within the county government, to include the [Department of Environmental Services](#) (DES), the Office of Sustainability & Environmental Management (OSEM), and the [Arlington Initiative to Rethink Energy - Environment](#) (AIRE).

Mission: The C2E2 EC's primary responsibilities are to engage with C2E2, county government staff, the broader Arlington community, and other relevant stakeholder individuals and organizations, so as to ensure Arlington County: 1) optimally implements its [Community Energy Plan](#) (CEP); 2) updates the CEP every five years (as required by Virginia State Law) to reflect the community's commitment to climate action, energy equity, resilience, and economic competitiveness.

Governing Documents: Board-adopted policy documents that pertain to the EC's mission include the CEP and any policy documents relevant to the implementation of the Plan, to include, but not limited to:

- [Environmental Assessment](#) process for public facilities
- [Arlington County Equity Resolution](#) and related ordinances and plans
- [Green Building Incentive Policy](#) and related ordinances and plans
- [Sustainable Public Facilities Policy](#)

Functions and Scope: The Committee shall study and make recommendations to C2E2 on:

- Climate change action, including measures to advance energy efficiency, renewable energy, electrification of buildings and transportation, energy equity, energy security, and the rapid reduction of greenhouse gas emissions from County facilities and the community as a whole.
- Threats or vulnerabilities that affect the community's energy resilience.
- County projects and policies impacting or addressing climate change or energy.
- The equity and inclusiveness of the County's climate and energy policies, programs, and initiatives - including the community engagement efforts involved in developing and implementing these activities.

⁴ Formerly titled the "Environment and Energy Conservation Commission" (E2C2). The new title was adopted by the Board in September 2020.

Commented [1]: Is this a reference to: <https://commissions.arlingtonva.us/planning-commission/public-facilities-review-committee-pfrc/>

Commented [RD2R1]: I think you may be referring to the April 2019 Construction and Major Renovation of Government Facilities policy for County government facilities?

To accomplish these objectives, the Committee shall:

1. Monitor regional bodies dealing with climate change, energy and environmental issues.
2. Review the County's annual budget and biennial Capital Improvement Program (CIP), and make recommendations prior to Board adoption.
3. Review climate change- and energy-relevant components of proposed County projects, as appropriate.
4. Identify climate change and energy issues affecting the County and its citizens.
5. Review County planning activities to provide climate change and energy-related input, as appropriate.
6. Liaise with County staff, to include within the DES, OSEM, and AIRE, as well as other relevant departments, and with EC counterparts with parallel portfolios within the Arlington Public School (APS) system, such as the [Superintendent's Advisory Committee On Sustainability](#) (SACS).

Membership: The Energy Committee shall comprise no more than 20 members. The EC shall strive to build and maintain a membership from diverse backgrounds, both with regards to demographics, and with areas of expertise; to include issues such as: climate change mitigation, energy efficiency, environmental justice, energy resilience, energy storage, green buildings, renewable energy, and sustainable transportation.

EC Member Roster: The EC Chair will maintain a roster of members that includes each member's: name, home or work (whichever is in Arlington) address, contact email and phone number, date of appointment, term expiration date.

Applications and appointments: Applicants for membership must submit a resume or "c.v." and a written personal statement of no more than two pages to the EC Chair and Vice-Chair. The statement shall explain why the applicant would like to join the EC, as well as what value they believe they can bring. Applicants must either be a resident of Arlington County, or work for a business or organization that resides in Arlington.

After an interview with the applicant, the EC Chair and Vice-Chair shall forward the applicant's materials to the C2E2 and hold a vote on the applicant's appointment. C2E2 will appoint and Members will be appointed for two-year terms, after which they may be reappointed to a subsequent term. There shall be no limit on the number of terms that a member may serve. All members serve at the pleasure of C2E2.

A member who fails to attend three (3) EC meetings in a single year without providing advance notice to the Chair, or AIRE staff, may be asked to resign their remaining term on the EC. The Chair, after consultation with the EC Vice-Chair, C2E2 Chair, and the Board's C2E2 Liaison, shall notify the member if such an action is warranted.

Chair and Vice Chair: The Chair of C2E2 shall appoint the EC Chair and Vice-Chair for two-year terms. The Chair must be an active C2E2 member. With the exception of the Chair, EC members are not required to be members of C2E2.

Staff Liaison: The County Manager shall designate a person to serve as staff liaison to the EC.

Meetings: The EC will meet as needed to adequately fulfill its role and responsibilities outlined in this charter. Meetings are held typically once a month on Wednesday mornings for two hours. All meetings will comply with Virginia Open Meeting requirements and the Freedom of Information Act. Agendas and

Commented [3]: Currently, the Energy Committee has 14 members. I think we could accommodate more, since we benefit from more expertise and perspectives at the table. Compared to C2E2 (which has up to 15 members), the Committee's responsibilities are less formal and time-sensitive, so it's more feasible for us to include more members.

Commented [4]: This makes sense. Allows for greater planning to some degree.

Commented [5]: Although, now that I think about it, this might be dictated at one year by the C2E2's charter.

Commented [6]: "County Mgr"? CMO?

Commented [7]: do we have hyperlinks?

meeting minutes will be made available to the public in a timely manner. The [Advisory Group Handbook](#) provides additional information on the conduct of meetings as well as communication protocols that should guide all members in their advisory group work.

Commented [8]: Hyperlink?

Reporting to the Board: The EC shall provide recommendations to C2E2, which reports to the County Board.

Update of this Charter: From time to time, the EC shall review this charter to ensure that it meets current needs. Any requests for changes must be processed through C2E2 and the [C2E2 Board Liaison](#).

Commented [9]: Is this the proper terminology? or "Board's C2E2 Liaison"

ATTACHMENT 2
C2E2 LETTER SENT TO THE COUNTY BOARD

CLIMATE CHANGE, ENERGY AND ENVIRONMENT
COMMISSION

c/o Department of Environmental Services
2100 Clarendon Blvd., Suite 705

Arlington, VA 22201

March 24, 2021

Mr. Matt de Ferranti
Chair
Arlington County Board
2100 Clarendon Blvd.
Arlington, VA 22201

RE: C2E2 Comments on the FY22 Budget

Dear Chair de Ferranti,

The Climate Change, Energy and Environment Commission appreciates the huge challenge that the County faces in dealing with the continuing fallout of the COVID-19 pandemic and commends the County Manager's efforts to provide vital services to residents and businesses impacted by the pandemic and to protect existing personnel from cuts. As you are aware, addressing the climate crisis and multiple other environmental challenges remains an urgent issue. C2E2 recommends that over the coming budget year the County Board and County Manager position the County to address these crises as the revenue situation returns to normal, and funding opportunities from the federal and state governments materialize.

As part of this "bridging" budget, the County should commit to fleshing out plans for meeting the County's goals for carbon neutrality and addressing other pressing climate and environmental challenges. As a first step, and per our recent letter to the County Board, C2E2 urges the County Board to create a new position--Chief Climate Change and Sustainability Officer--no later than FY23 within the County Manager's office to oversee and coordinate government-wide efforts to address the County's climate and environmental goals. In the interim, the County Manager should designate a current senior manager to take on this portfolio temporarily and who would help flesh out the role and responsibilities of this new position.

CEP Implementation

Meeting the County's carbon neutrality and renewable electricity goals should be a high priority and FY22 should mark a strong acceleration toward these goals. To be in a position to move out quickly as revenues rebound and other funding sources are identified, the County staff should:

- Assess personnel needs for the AIRE team and elsewhere within the County government to support accelerated implementation of the Community Energy Plan.
- Identify or accelerate studies necessary to further develop the pathway to carbon neutrality.
- Develop a timeline for the County Government to make the transition to carbon neutrality, to include, for example, fleet electrification, building retrofits, onsite solar power, and microgrids at county/APS facilities.
- Delay purchases to the extent possible of all vehicles, including ART buses, until the County has a plan for converting its fleet to electric vehicles. We also urge that any purchase requests for internal combustion engine vehicles by the County, starting in FY22, should be accompanied by a memo explaining why electric or other zero-emissions vehicles were determined to be not appropriate.
- Identify the most promising opportunities for leveraging federal, state, and other funding sources to achieve the CEP goals and start setting the stage to take advantage of these funds.
- Explore the establishment of a Green Bank, a measure recently authorized by the General Assembly, the issuance of green bonds, and other financial mechanisms to finance clean energy, infrastructure, and other green investments.

The County should also give high priority to increasing the proposed FY22 budget for AIRE, now that some relief is on its way with the passage of the federal COVID relief bill. Even in the years before the pandemic, the AIRE budget and staff had been cut. The proposed reduction of \$150,000 over the FY21 AIRE budget with the elimination of one-time funding for developing initiatives to support the CEP amounts to a further 11 percent cut. At a minimum, continuation of this year's funding levels would seem crucial given the ongoing need (as we noted in a separate letter) to further develop the implementation framework and to position the County to aggressively address climate change.

Solid Waste Management

We are excited that the Solid Waste Bureau will finally be able to add curbside food scraps collection later this year while slightly lowering the Household Solid Waste Rate, and appreciate the County's interest in adopting a plastic bag tax. It is now time, however, for the County to embark on a robust zero waste plan development process to fulfill commitments made by the Board in its 2015 Zero Waste Resolution. We offer two points for consideration:

- This process should be a comprehensive assessment of waste management and address opportunities to reduce waste generation through reduce, reuse, and repair strategies as well as strategies for diverting waste from landfills and the waste-to-energy plant into recycling streams, and
- To truly reduce the carbon footprint of Arlingtonians, we need to reduce the embedded carbon emissions and other environmental costs of our consumption and not just locally-emitted greenhouse gases and impacts.

Stormwater Management

We are encouraged by the continued progress in developing a comprehensive plan to address the County's aging stormwater infrastructure and mitigate flooding from the already increased frequency of intense storms. We look forward to working with the staff as plans move forward. We endorse the planned increase in the stormwater rate in next year's budget as an interim step to secure the necessary funding.

Moving forward we support the County's efforts to move to a stormwater utility to shift the financial burden to properties with more impervious surfaces and thus contribute more to stormwater runoff. A stormwater utility will also provide an opportunity to offer incentives to property owners to reduce impervious surfaces, protect and expand the tree canopy, and otherwise incorporate nature-based solutions for onsite stormwater retention. As part of this shift, we urge the County to increase funding to programs that address runoff at the source. Incentive programs, in particular, are effective in slowing water runoff into the stormwater system and should be included as part of a broader tool kit.

Tree Canopy and Natural Resources

As part of our "bridge" year, the County Board and Government should be laying out a strategy to better incorporate trees, green spaces, and natural areas as a key part of our urban/suburban environment. Research shows that abundant and accessible green spaces are important for ensuring physical and mental health, reducing the urban heat island effect and air pollution, sequestering carbon, and bolstering economic activity and property values. While the Forestry and Natural Resources Master Plan, now under development, should offer a roadmap to these goals, the County can prioritize several actions as the revenue situation improves by:

- Moving forward with the addition of funds for another forester and to improve maintenance of our tree canopy, which was proposed in last year's pre-COVID budget.
- Supporting efforts to assess and manage deer overpopulation in our natural areas (and neighborhoods).

In the meantime, we urge the County Board not to accept certain cuts to the Parks and Recreation Budget that are short sighted and detrimental to the interests of County residents:

- The proposed cut in funding to Virginia Cooperative Extension (VCE) of about \$64,000 would result in a 60 percent decline in the programmatic staff (2 full-time and 2 part-time positions) because of the cost-sharing arrangement with VCE. The returns the County gets from VCE programs far exceeds the County's contribution to these programs and have been particularly important during the pandemic. VCE volunteers in 2020 provided almost 43,000 hours valued at \$2.3 million. Programs include financial, nutritional, and energy education, 4-H programs to underserved youth, Master Gardeners, and Master Naturalists.
- The proposed elimination of county support for the Northern Virginia Conservation Trust would impede the use of conservation trusts as a currently underutilized tool for protecting valuable natural resources on private property. Rather than cutting its ties with this nonprofit

organization, Arlington should be making such arrangements more attractive to property owners. Arlington is one of the few jurisdictions in Virginia that does not offer tax incentives for property owners to put land into a conservation trust.

We recognize the challenging conditions that the County currently faces and appreciate the commitment and hard work of the County Board and County Government in addressing the overwhelming task of protecting the health and basic needs of Arlington's residents. We look forward to continuing to work with the County Board and staff to build a more sustainable, equitable, and vibrant community.

Very Respectfully,



Joan
McIntyre
Chair
Climate Change, Energy and Environment Commission



Timothy
Effio
Vice-Chair
Climate Change, Energy and Environment Commission

CC: Mr. Mark Schwartz, County Manager