Draft Meeting Summary

COG Climate Energy and Environment Policy Committee (CEEPC)

March 28, 2012

Members and Alternates Present

Hon. Jay Fisette, Chair, Arlington County Dr. Kambiz Agazi, Fairfax County Hon. Johannah Barry, Falls Church Chris Berendt, Drinker, Biddle & Reath LLP Sarah Cosby, Dominion Virginia Power James Flynn, Bladensburg Bucky Green, US Environmental Protection Agency Hon. Penelope Gross, Fairfax County Robert Grow, Greater Washington Board of Trade Konrad Herling, Greenbelt Julia Hudson, General Services Administration Caroline Keicher, Institute for Market Transformation Julia Koster, National Capital Planning Commission (NCPC) Dale Medearis, Northern Virginia Regional Commission (NVRC) Samuel Moki, Prince George's County Stephen Pattison, Maryland Clean Energy Center Katie Peterschmidt, Cooper Cary, Inc. Jeff Platenberg, Loudoun County Public Schools Fred Schultz, Takoma Park Dr. Dann Sklarew, Ph.D., George Mason University Kanti Srikanth, Virginia Department of Transportation Jonathan Way, City of Manassas Howard Ways, University of the District of Columbia Dr. Kris Wernstedt, Ph.D., Virginia Tech Luke Wisniewski, Maryland Department of the Environment

Others Present

Dan Barry, District of Columbia Department of the Environment Ray Bourland, Pepco Guy Chapman, VA Dominion Power Bill Eger, City of Alexandria Andrew Gohn, Wind Program Manager, MEA John Lord, Loudoun County Public Schools Tim Stevens, City of Falls Church Brian Hug, Maryland Department of the Environment (MDE) Luisa Robles, Greenbelt Mike Tidwell, Chesapeake Climate Action Network Chris Somers, Arlington County Tad Aburn, MDE

Staff Present

Julia Allman, COG DEP Leah Boggs, COG DEP Amanda Campbell, COG DEP Maia Davis, COG DEP Stuart Freudberg, Director, COG DEP

1. Call to Order/Introductions/Chair Remarks

Chair Fisette called the meeting of the Climate, Energy, and Environment Policy Committee (CEEPC) to order at 9:36 a.m. Mr. Fisette reminded members that CEEPC meetings will begin at 9:30am for the remainder of the year.

Mr. Fisette noted that many members participated in the 2012 CEEPC Member Survey. The survey results will guide the CEEPC agenda. Mr. Fisette responded to Kambiz Agazi's concern that even though issues were ranked, some higher than others, all of the listed issues were rated 'important' and will continue to be included in the work plan.

2. Approval of Meeting Summary for January 25, 2012 and Amendments to the Agenda

The meeting summary for the January 25, 2012 meeting was approved with no changes. The Agenda was approved with no changes.

3. Off-Shore Wind Energy in Maryland and Virginia (Andrew Gohn, MEA; Guy Chapman, VA Dominion Power; Mike Tidwell, Chesapeake Climate Action Network)

Chair Fisette reminded members of the Climate and Energy Action Plan goals related to renewable energy: 100% of jurisdictions purchase or consume 10% renewable energy; 10,000 renewable energy systems installed; 75% of local governments deploy renewable energy technology.

Andrew Gohn, MEA, reported that Maryland's goal is to generate 20% of state power from renewable sources by 2022, with 2% carved out for solar power. The state aims to fulfill the energy with in-state sources as much as possible. Maryland collaborated with the US Department of the Interior to create a market for offshore wind energy instead of the single contract approach. The Maryland Offshore Wind Energy Act of 2012, expected to move to the house floor within 24 hours of this presentation, contains revisions that aim to reduce its scope and protect ratepayers. Economic and health benefits to Maryland ratepayers must exceed costs. The Public Service Commission's maximum OREC price is \$190. Up until now, the Federal leasing process has had eight companies respond with interest, although some have concerns about the size of the area and shipping routes. Through workgroups with the Coast Guard, a new plan has been developed to address concerns. A Task Force will examine all feedback and develop a strategy to move forward.

Guy Chapman, Director of Renewable Energy Technology R&D, Dominion, said Virginia has been researching development of coastal energy technologies for five years. In 2010 the Virginia Offshore Wind Development Authority (VOWDA) was created. The General Assembly adopted a goal of developing 3,000 MW of offshore wind by 2025. Dominion has been actively involved in VOWDA and responded to the federal Bureau of Ocean Energy Management (BOEM)'s Call for Interest for the Virginia Wind Energy Area. Dominion is potentially interested in future leasing ocean blocks for potential future development.

Mike Tidwell, Executive Director, Chesapeake Climate Action Network, said his organization has 90,000 members in the Washington region. They see a national resource in clean wind energy. Maryland is moving forward to start the offshore wind energy through Governor O'Malley's initiative. Mr. Tidwell said Dominion opposes renewable energy in Virginia and creates no solar or wind energy. Over the next 15 years Dominion plans to increase its renewable energy allocation from 2.4% to 2.8%. His organization would like to see Virginia adopt policies to move forward on offshore wind energy.

Mr. Fisette asked the participants to comment on the federal government's role in offshore wind. Mr. Gohn said the U.S. Department of Interior has jurisdiction over the continental shelf, but the state and federal government are competing for leases. Maryland is advocating for multiple leases in order to be competitive and offer lower energy prices. The Obama administration supports the technology but there is some concern about tax credit. Mr. Chapman said the federal government has helped, but a national renewable energy policy is needed.

Jonathan Way asked for information about comparative costs of wind and how the costs would be integrated into the grid. Mr. Chapman said Dominion is working to get the premium down. Dominion is converting coal plants to biomass. Wind energy is the only scalable renewable energy in Virginia that could meet the need. Mr. Tidwell said the chart doesn't show the public health cost of coal. Maryland estimated that offshore wind provides \$2 billion in avoided health costs. Other costs of coal are sea level rise and other impacts of extreme weather. New Jersey Governor Christie supports offshore wind for his state. Andrew Gohn said offshore wind has an impressive net benefit. The life cycle benefit cost should be applied to renewable energy costs. He said Maryland's evaluation of offshore wind includes job growth and the impact on the environment.

4. Draft 2011 Progress Report on 2012 Climate Energy Action Plan (Maia Davis, MWCOG/DEP); Updates to 2012 Climate Energy Action Plan, Future Workplan to 2020 (Hon. Jay Fisette, Chair)

Regional goals that were established in the 2008 National Capital Region Climate Change Report guide CEEPC's work. CEEPC's 2010-2012 Climate Energy Action Plan identifies intermediate goals and actions to achieve the regional goals. Region Forward, the region's vision and mission, draws some climate goals from the climate change report. COG/DEP conducts an annual survey of local governments, school districts, and utilities of their climate and energy-related policies and programs (see CEEPC Member Survey). Results show progress on several goals, including community energy planning, green fleets, climate adaptation, and home weatherization.

Chair Fisette noted that the report can help the committee identify where progress has been made and where to create opportunities for improvement going forward. He asked staff to communicate with policymakers if surveys are not completed. He also asked COG/DEP staff to consider how cooperative solar purchasing could be integrated in an updated work plan. Chair Fisette asked members to send information on the feasibility of passing bonds for energy-related projects. Chris Berendt said that there are several options for municipalities to use low-costs bonds for energy projects and that he can share information.

John Lord pointed out that school boards are not well represented in COG leadership. Penny Gross responded that she has worked to engage school superintendents at COG without great success.

Members discussed the timeframe. Many agreed that four years was ample time to analyze survey results and form new plans, except that Region Forward may be evaluated every three years, and Chesapeake Bay every 2 years. The committee agreed to revisit the timeframe issue.

Kambiz Agazi suggested that some survey questions be re-worded and contain accompanying example answers to reduce ambiguity. Also, he suggested that project actions be separated from policy actions. Julia Koster inquired as to whether there is a way to represent the actions of small, medium, and large communities separately.

Other concerns raised include how to collaborate with the federal government and the wider community. Chair Fisette asked COG staff to work with federal representatives to explore how partnering with the federal government could help achieve regional goals. Finally, the Chair asked staff

to examine language like 'require' that would pose a barrier for Virginia jurisdictions, and to present a draft workplan in two or four months.

5. Projects and Subcommittee Updates

- a) Advocacy Committee Report (Julia Allman): CEEPC Advocacy Committee submitted a letter of support of PACE programs and opposing FHFA restrictions. The Committee also submitted a total of six letters of support for Virginia and Maryland legislation. One Virginia bill supported, HB 29 on solar PV adoption, was postponed to the 2013 session. Maryland bills supported several energy issues including: offshore wind energy, which is advancing; net energy metering for community generators; allowing streetlight purchase at fair market value; exempting electric vehicle charging stations from utility designation; and energy efficiency on-bill financing.
- **b) Regional Tree Canopy Workgroup** (Brian LeCouteur): The newly formed Tree Canopy Workgroup has met twice. The group is working on producing an initial set of strategies that will provide a framework for a future plan. The third meeting will be held May 4th.
- c) Electric Vehicle Work Groups (Joan Rohlfs): The Electric Vehicle workgroup has been meeting monthly since September. Last month, the group broke into subgroups by topic including municipal policy, permitting, siting, utilities, education, and fleets. Tomorrow the subgroups are presenting their recommendations. The group aims to have a draft regional plan by June to present at the July CEEPC meeting.

Discussion: Members identified factors affecting electric vehicle adoption including purchase price, gas prices, federal rebate, and the challenge of incorporating life cycle and maintenance costs in a local government's annual budget cycle. Joan Rohlfs added that although electric vehicle sales are lower than expected, manufacturers are optimistic that they will increase due to rising gas prices. Kambiz Agazi noted that Fairfax has five EVs in its fleet, and that the EV planning process has been helpful in standardizing policies. Having a plan to develop stations will help support electric vehicle development. Chair Fisette said that local governments can help spur demand through the use of their purchasing power.

d) EPA Portfolio Manager Master Account Sharing Training (Leah Boggs): A Portfolio Manager training was held on March 5th that covered measuring and setting goals and master account sharing. These functions could help the region compare buildings on a regional basis. Next, COG Staff will work with EPA on baseline training and standardization; Master Account Sharing will be a future goal.

Chair Fisette requested that staff consider how these topics could fit into the CEEPC work plan.

- e) Outreach Campaign Update (Maia Davis): An RFP was issued January 12th for marketing services related to the program. Out of six applications, the committee selected GolinHarris to develop branding, a logo and marketing strategy for a regional sustainability outreach campaign. The Outreach Committee will meet April 4th at 10am with the consultants for a focus group session to guide the project's work.
- f) Adaptation Guidebook Presentation, 3/28 (Maia Davis): The EPA Climate Adaptation Guidebook will be presented today following the CEEPC meeting from 12:30-2pm in Room 1.
- **g)** Climate Impacts Symposium, 5/21 (Maia Davis): The Symposium will have a morning panel of researchers to present the expected climate impacts in the region. An afternoon panel will discuss implications for planning and infrastructure. A lunchtime speaker from NCPC will discuss some of the federal government's actions.
- h) Region Forward Baseline Report (Paul Desjardin): The Region Forward Coalition has been developing the Baseline Report, which forms a baseline and sets targets in the areas of transportation, growth, environment, and so forth. Progress will be evaluated every three to four years. COG staff is collaborating internally to capture work already being done. The Coalition will meet at the end of April and plans to present the report to the board in 2012.

Stuart Freudberg added that COG is highlighting jurisdictions' successes through Steve Kania and social media.

6. Adjourn

The next meeting is scheduled for May 23, 2012 from 9:30 am to 11:45am. There being no other business, the meeting was adjourned at 11:49am.