

Draft Meeting Summary

COG Climate Energy and Environment Policy Committee (CEEPC)

July 27, 2011

Members and Alternates Present

Hon. Johannah Barry, City of Falls Church

Hon. Al Carr, Jr., Maryland House of Delegates

Hon. J. Davis, City of Greenbelt

Hon. Jay Fisette, Chair, Arlington County

Hon. Andrea McGimsey, Loudoun County

Hon. Del Pepper, City of Alexandria

Hon. Fred Schultz, City of Takoma Park

Hon. Dave Snyder, City of Falls Church

Hon. Jonathan Way, City of Manassas

Dr. Kambiz Agazi, Fairfax County

Saadat Khan, District Department of Transportation

Sam Moki, Prince George's County

Howard Simons, Maryland Department of Transportation

Dr. Dann Sklarew, George Mason University

Ryan Spiegel, City of Gaithersburg

Kanti Srikanth, Virginia Department of Transportation

Howard Ways, University of the District of Columbia

Luke Wisniewski, Maryland Department of the Environment

Melissa Adams, Washington Gas

Michael Barancewicz, Loudoun County Public Schools

Donald Briggs, Frederick County Sustainability Commission

Rachel Healy, WMATA

Suseel Idrakanti, Cambridge Systematics

Caroline Keicher, Institute for Market Transformation (IMT)

Julie Locascio, DC Sierra Club

Stephen Pattison, Maryland Clean Energy Center

Caroline Petti, ACPAC Chair

Dr. Lise Van Susteren, Chesapeake Climate Action Network

Steve Walz, NVRC

Others Present

Erica Bannerman, City of Alexandria

Dan Barry, District Department of the Environment

Jeffrey Bond, Prince George's County

Sarah Cosby, Dominion

Rich Dooley, Arlington County

Bill Eger, City of Alexandria

Ronald Flowers, Greater Washington Regional Clean Cities Coalition

Susan Hafeli, Fairfax County

Mike Lake, Fairfax County Department of Transportation

Julian Pancoast, WMATA

Emily Rice, District Department of the Environment (DDOE)

Najib Salehi, Loudoun County

Mark Spurr, FVB Energy
Claude Willis, Greater Washington Regional Clean Cities Coalition

Staff Present

Jeannine Altavilla, Environmental Planner, COG DEP
Leah Boggs, Environmental Planner, COG DEP
Amanda Campbell, Research Assistant, COG DEP
Elena Constantine, Director Systems Planning Applications, COG DTP
Paul DesJardin, Director, Department of Community Planning and Services, COG DCPS
Stuart Freudberg, Director, Department of Environmental Programs, COG DEP
Jeff King, Principal Environmental Planner, COG DEP
Sunil Kumar, Senior Environmental Engineer, COG DEP
Alicia Lewis, Housing Planner, COG DCPS
Joan Rohlfs, Director, Environmental Resources Programs, COG DEP
Daniel Sonenklar, Transportation Planner, COG DTP

1. Call to Order/Introductions/Chair Remarks

Chair Fisetete called the meeting of the Climate, Energy, and Environment Policy Committee (CEEPC) to order at 9:45 a.m.

2. Approval of Meeting Summary for March 23, 2011 and Amendments to the Agenda

The meeting summary for the May 25, 2011 meeting was approved with no changes.

3. District of Columbia Bag Legislation and Program Results (Emily Rice, DDOE)

Ms. Rice presented on the District's bag law. The program became effective January 1, 2010, requiring all District retailers that sell food or alcohol to charge a five cent fee for each paper or plastic disposable bag provided to customers at the point of sale. Exemptions include packaged bulk items, leaky foods that may be damp, unwrapped prepared foods, and restaurants. The retailer must indicate the number of bags on the customer receipt, include the total fee collected. Additionally, bags must be 100% recyclable and display the phrase "Please Recycle This Bag." Paper bags must contain a minimum of 40% post-consumer recycled content and plastic bags must be number two or four recyclable.

Ms. Rice conducts the inspection process for enforcing the law. Over 5,000 businesses are affected by the law, so inspection is prioritized based on tips. Inspections are conducted by secret shopping. If an infraction occurs, the retailer receives a notice of violation and is reinspected. If the violation is not corrected there is a notice of infraction with a fee of \$100. Second infractions incur fees of \$200 and any additional infractions incur a fee of \$500. Three hundred inspections have been conducted. There have been 169 notices of violations and 10 notices of infraction. Over 50% of businesses were found in violation, with 56% of violations fee-related; 32% of businesses repeat offenders. Several businesses find blamed violations on the inspector or a one-time mistake.

The fee for each bag is five cents; businesses retain one cent and submit four cents to the Office of Tax and Revenue. If the business has a carry-out bag credit program where a credit is given to a consumer using reusable bags the business retains two cents of each five cents collected. Fees are deposited into a special purpose fund administered by DDOE. To date over \$2.7 million has been collected and is being spent on stormwater retention, trash/watershed education, trash capture, stream restoration, outreach and reusable-bag distribution and program implementation.

Discussions with businesses and environmental groups have indicated positive results. Businesses report ordering 50-70% fewer bags and environmental groups report fewer bags in the river and tributaries. A survey indicates that 75% of those polled have reduced their bag use. The majority of businesses said that the bag fee has not affected their business. Information on the survey sampling and methods can be provided.

For others considering a bag fee there are several legislative considerations that can shape the final bill including which businesses are affected, bag requirements, success measures, enforcement, revenue spending, and whether it is a fee or a tax.

The committee was reminded that in October 2009 the COG Board passed a resolution to reduce bags. This topic could be included in future legislative packages to states.

Mr. Fisetto asked if it was possible to deputize citizens to increase enforcement. DC has an online and phone complaint/tip line. Some other staff has been trained. A group in California has a volunteer green team that can report experiences and provides information to businesses. Ms. McGimsey suggested that peer pressure, possibly through Facebook, could be used to help decrease violations.

Ms. Barry asked if businesses have voiced concerns over a lack of branding. They have not. Many nicer bags meet the requirements for being reusable and are exempt from the fee.

Mr. Carr noted that this bill has been presented to the Maryland state legislature for the last three years. Allies for the bill have included the faith community, students, environmental groups, some businesses and the Montgomery County Chamber of Commerce. Grocery stores have been neutral. Bag manufacturers and small retailers have spoken out against the bill, and Anne Arundel County and Baltimore City have pushed back on the measure citing impacts on the economy and low-income communities. The bill has had trouble getting out of committee. In Maryland only Montgomery County and Baltimore City have the authority to implement their own bag fee program, others must seek enabling legislation. Montgomery has passed a local bag tax.

Mr. Fisetto noted that the largest recycler of plastic bags is Trex in northern Virginia. They make decking from plastic bags.

Mr. Freudberg recommended that the committee send a comment letter to the state legislatures or present to the COG Board. Mr. Fisetto noted that he will contact the Board Chair and that the committee should hold off on a letter until it could be attached to legislation.

Ms. Van Susteren asked about Styrofoam measures. Arlington is researching this topic. The FDA has found no direct link between Styrofoam and any health issues. The recycling coordinator at COG can provide a memo on Styrofoam.

4. Community Energy Planning

A) Community Energy Planning Project/Report (Jeff King, DEP and Mark Spurr, FVB Energy)

B) COG Leadership Retreat, Community Energy Planning Outcomes (Hon. Jay Fisetto, Chair)

Jeff King, COG DEP, provided background on the Community Energy Planning Project. A community energy workshop was held in January and a taskforce was developed last Fall to explore the opportunities for deployment of community energy solutions in the region. COG issued an RFP to hire a consultant to handle two of the priorities identified by the Task Force - understanding of state and local policies affecting deployment of community energy solutions and a basic analysis of costs/benefits and business case of three main community energy technologies (district energy, combined heat and power (CHP) and microgrids). Other priorities of the task force included an inventory of sites and study tours to CHP/District Energy sites in the region. The taskforce visited several systems in the region on July 26 including the University of Maryland CHP Plant, the new facility at FDA's White Oak site and the General Services Administration site in downtown DC.

Mark Spurr of FVB Energy presented information on FVB Energy's technical support for COG's Community Energy Solutions project. Task 1 provides an overview of existing local regulations and programs in the region, as well as recommendations for moving forward and best practices. Task 2 will examine the cost benefit and business case information for these energy solutions. The draft report for Task 1 was just made available and final drafts should be available in September or October.

Mr. Spurr noted that the basic premise of community energy planning is to find existing energy that is not being used and move it to those who can use it. There are many challenges involved with implementing these systems where they do not currently exist including awareness and information, supportive leadership, initial capital costs, local price signals on current energy supply, land use, siting, grid access, and a general lack of integrated planning in many areas. Some successful examples of areas that have overcome these challenges include St. Paul, Minnesota and Markham, Canada. The role of the city in St. Paul was crucial in getting the system off of the ground, including offering a deferral of franchise fee payments. The plant includes hot water heating and chilled water cooling, biomass CHP and solar thermal. In Markham, the town was motivated by power outages that were making it difficult to attract hi-tech industry. Their system now serves these hi-tech facilities and includes hot water, chilled water and CHP. The Task 1 report includes several recommendations that are listed in the [slide presentation](#). The first recommendations are to set goals for energy efficiency and greenhouse gas reductions, map opportunities and high priority areas, and convene key stakeholders to take the discussion further.

Chair Fisette noted that this topic was included in the CEEPC workplan because it is a viable option with the potential to achieve a good portion of the region's greenhouse gas reduction goals. Community energy planning was chosen by the COG Board as the top issue for discussion at the COG Leadership Retreat held last weekend. Retreat participants heard a keynote presentation from Peter Garforth, who has presented to this committee in the past. There was a panel moderated by Council Member Roger Berliner and presentations from Mr. Fisette and Supervisor Andrea McGimsey on their communities' energy strategies and plans. Community energy planning helps increase economic competitiveness, increase energy security, and is beneficial for the environment. Several interesting points that were brought up at the retreat include the possibility of integrating stormwater and district energy, and the Moorefield Station development in Loudoun County, as well as efforts looking to capturing waste heat from data centers for heating needs.

Council Member Way noted that district energy facilities sited in high density areas have proven to be economically and operationally viable, but asked if there was any practicality or economic viability for systems to move into already developed low density areas. Mr. Spurr responded that the economic viability increases with an increase in density, but that brownfield systems do exist. If there is a critical mass of high density, it is also possible to expand the system to low density areas.

Supervisor McGimsey noted that Loudoun wants to make sure that there is quality control in their plans so that the work being done makes sense and can be an example for the rest of the region in the future. All are welcome to participate as Loudoun moves forward with their plans. She noted that at the retreat Harriet Tregoning suggested planning district energy implementation with stormwater retrofits as a way to bring down the costs of installing the systems. Mr. Spurr said he had not seen stormwater and district energy systems integrated before, but that does not mean it is not possible. Moving forward, it will be important to educate staff in all departments since this affects the work of several departments.

In response to a question from Supervisor McGimsey, Mr. Spurr noted that the proximity of district energy systems to the buildings they are serving depends on energy costs. In Sweden there is a twenty mile pipeline from an industrial facility that provides heat at virtually no cost, but since energy costs in Sweden are high, it was economically feasible to recover the capital investments for transmission pipe and pumping equipment. From a technical standpoint, unlike with steam, hot or chilled water can be transported fairly long distances without much loss in efficiency. Chair Fisette noted that at least as a starting point it makes more sense in our region to first explore the implementation of these systems in more compact high density areas.

Chair Fisette asked if there was interest in organizing another field trip for CEEPC members not familiar with what these types of systems entail. A show of hands indicated a great deal of interest and staff was asked to plan a trip for interested members. Mr. Spurr noted that a virtual tour of systems such as St. Paul or Seattle might also be helpful. Council Member Pepper noted that members of the Environmental Policy Commission in Alexandria should be invited. Mayor Davis suggested that staff reach out to Prince George's County so that if their undeveloped METRO sites become mixed use they can consider this.

Supervisor McGimsey commented that workforce development and having the right people in local government will be important in moving forward with community energy. Universities should think about developing people with these skills in this region. Chair Fisette said that this could be an agenda item with community colleges. Supervisor McGimsey added that GMU should also be included.

Mr. Walz noted that NVRC is conducting a legal analysis of some of the issues related to community energy in Virginia that complements COG's project. They have spoken with Urban Land Institute and are considering putting together information and forms, and potentially presentations geared towards policymakers, local government staff, and the development community. This could include bringing in someone from the St. Paul utility.

Dr. Agazi was interested in further information on the St. Paul example including the cost to the government of deferring the fees, the energy prices for those using the district energy compared to conventional energy and the time it took to pay off the construction of the plant. Excavation of roadways can be expensive and utilities can't always share trenches. Chair Fisette suggested that this could be a future presentation by the St. Paul utility. He additionally noted that any analysis should always consider economic, environmental and supply security benefits of a system.

Chair Fisette brought up that there is a coal plant inside the beltway in our region. He asked the committee if there was interest in a panel discussion or debate during a future CEEPC meeting to put context to the possibility of retrofitting the GenOn Potomac River Generating Station in Alexandria into a district energy or CHP system. Chair Fisette proposed that the Sierra Club, the GenOn plant owner, and others from the industry could join the panel conversation and discuss the benefits and disadvantages of this issue, which is not necessarily black and white. Chair Fisette further stated that the panel discussion would also help to put this specific issue into the broader question how to best create sustainable energy systems for the region. Chair Fisette conducted a straw poll to see if there was interest in this idea. About 15 members showed interest and none dissented. Supervisor McGimsey suggested broadening the panel to include the Moorefield station project in Loudoun County, but Chair Fisette said that this panel should focus on just the GenOn plant, and that others could be considered at another point. Chair Fisette noted that the Sierra Club has an active effort underway to close the GenOn plant and that a conversation could help the discussion on the best use for this land and facility.

Mr. Spurr noted that St. Paul's system is downtown and was originally a primarily coal facility but is now 70% biomass. The plant has done a lot of work on community relations and is considered an important part of the community. Chair Fisette noted that there could be a separate meeting to look at St. Paul.

Council Member Pepper noted that the Sierra Club received a \$50 million grant from Bloomberg Philanthropies for their "Beyond Coal" campaign which aims to reduce coal plants across the nation, including the GenOn plant. Mayor Bloomberg made a presentation of this award in Alexandria this with the GenOn facility as a backdrop. There is a group that is already considering what could be done with this area of Alexandria if the plant is closed. Alexandria currently has a \$34 million agreement with the plant that is still being realized to implement measures to lessen its environmental and health impacts on the community. Chair Fisette noted that Council Member Pepper and Alexandria should be consulted before any panel is put together.

5. Regional Energy Outreach and Education Campaign: Options and Recommendations (Jay Fisette, Chair)

Mr. Fisette updated the committee that the ad hoc energy outreach workgroup held a productive meeting on July 14. Local government staff working on similar programs came to the meeting to help provide insight for the expansion of our regional education campaign. The group's consensus is that the Earth Aid platform used for the pilot program will not work regionally. The committee agreed that a self-certification checklist that contains actions on energy and other sustainability categories should be used for the regional program with a focus on individual residents. Staff are putting together a proposal for this program based on four criteria: effectiveness; administrative burden and program costs; integration with local programs after EECBG funding runs out; and ease of participation. The group is meeting again in person on August 17 to review the proposal.

6. Advocacy on Federal Legislative Issues (ACTION ITEM) (Jeff King, DEP)

HR 2354 Energy and Water Appropriations (sent)

Mr. King presented on federal advocacy items. A letter opposing an amendment to HR 2354, the water and energy appropriations bill, was sent on July 12. The amendment would defund the DOE Vehicle Technology Program that runs Clean Cities. The amendment failed later that afternoon.

The committee was asked to take action on two letters at the meeting. The first letter was in support of S 1108 10 Million Solar Roofs Act of 2011. This came about from a request by Fairfax County for COG to speak at a hearing for testimony from the local government perspective. COG did not speak but will send a letter commenting on the bill that will be considered by the committee. The bill would fund a rooftop solar challenge looking at local and regional permitting and regulatory issues. The second letter was in support of HR 2599 PACE Assessment Protection Act of 2011. PACE stands for Property Assessed Clean Energy and is a financing mechanism that funds energy efficiency and renewable through payments on a property's property tax bills. The Act would solve federal problems with accepting this type of program. Both letters were supported by members of the CEEPC advocacy subcommittee.

Mr. Way asked if PACE programs cost money. The letter states that the program does not use government or taxpayer funds. The loans are not gift, and get paid back with interest. Public funds can be used to start the program, but will be repaid through the loans. Ms. Petti noted that some investors have talked about giving seed money for these programs instead of using local funds. Ms. McGimsey noted that Sonoma County is currently running a PACE program that is cash flow positive now that the program is underway. Language in the letter was changed to remove the references to no taxpayer or government funds being used.

The letter for S1108 was approved in its current condition. The letter for HR2599 was approved with amendments. The letters will be sent after review by the COG attorney.

7. Projects and Subcommittee Updates

- a) **Federal Legislative and Regulatory Update** (Jeannine Altavilla): The federal regulatory update is in the topic summary document in the meeting packing. Today the federal fuel economy standard was been announced at 54.5 miles per gallon by 2025. The proposed regulation will be published shortly. The Federal Legislative update is in a separate document for this meeting. It contains a summary and the current status of recent bills.
- b) **Adaptation Project, Sector Meetings** (Jeannine Altavilla): COG received a Smart Growth Implementation Assistance award from EPA in fall 2010 to work on a regional adaptation plan. A scientific advisory panel met last winter to help determine expected climate effects in the region over the next century. NOAA hosted a training at COG on March 3 on how to conduct a vulnerability assessment. Staff has been working on collecting data to begin these assessments. EPA has contracted with SRA International to work on this project. SRA will be joining COG to hold meetings for sector-specific impacts and climate adaptation strategies in September. The four sectors that will have meetings are buildings, land use, transportation, and water. The project is working with the Intergovernmental Green Building Group and the Housing Directors committees for the building sector, the Planning Directors Technical Advisory Committee for the land use sector, the Transportation Planning Board Technical Committee for the transportation sector, and the Water Resources Technical Committee for the water sector.

Ms. McGimsey asked if energy sector impacts were being considered. They will likely be part of the discussion in the building sector. There was a limit to how many sectors could be considered for this project, but the plan will acknowledge that other sectors need to be addressed.

Mr. Snyder asked if the private sector was included. Mr. Fisette noted that CEEPC includes the private sector and will review the document. Ms. Rohlf's noted that the product will provide guidance for governments on

strategies for policies in these sectors. A draft regional plan will be available and presented to the committee in early 2012.

- c) Progress Report: Update** (Jeannine Altavilla): The committee commented on a draft of the 2010 Progress Report at the last meeting in May. Since that meeting requested changes have been made, notably to the reporting on the WE CAN program. Additionally, all outstanding surveys were received, and are now reflected in progress towards annual goals and the summary chart. All 21 jurisdictions have responded to the survey.

Mr. Fisette noted that there was an earlier deadline to complete this report and a long delay. Hopefully in future years this process will be smoother and the report will be completed sooner.

Dr. Agazi asked if the report is available to the public. Not all jurisdictions can complete the actions listed in the survey. The surveys contained Not Applicable as a response option to allow for this clarification.

Ms. Davis noted that Greenbelt only has one person on staff addressing this and they appreciated help and extra time on the deadlines. This may still be needed in the future.

Mr. Fisette noted that the inventories are important, as is the green building policy that was the subject of a COG Board resolution. These need to be a focus. Advice on taking advantage of this information and how to complete these actions would be appreciated. The Chief Administrative Officers Committee has seen a presentation on this progress report which will hopefully help.

- d) Solar Initiatives Update** (Jeff King): Thirteen or fourteen agencies have submitted potential locations for solar installations. A feasibility assessment of each site must be completed to determine which sites will be included in the RFP for financing, design, and installation of these systems. By issuing one RFP the installations can be done at a lower price. It is likely that EPA's green power partnership will pay for the feasibility assessments. On October 6 COG will be holding a solar workshop with the National Association of Regional Councils (NARC) who has a contract on solar outreach. Staff is working on a draft agenda, and potentially having vendors present, as well.
- e) Washington EV Regional Coalitions, appointments** (Joan Rohlf): COG submitted its application for the electric vehicle infrastructure grant in June. A list of partners for the EV Coalition was proposed with the grant application. If COG is awarded the grant, partners will receive a share of the grant and contribute to the cost share. If COG is not awarded the grant, the regional coalition will still likely continue, but the timeline will be increased to two years and the tasks will not include training and outreach. The number of participants on the coalition will also likely decrease with DOE. The coalition will include six local government members (from DC, Arlington, Fairfax County, Loudoun, Falls Church and Montgomery County). Letters requesting staff appointments will be sent in August. Descriptions of the three workgroups will be included to help in the staff selection.
- f) HUD Sustainability Grant** (Paul DesJardin): Last year COG submitted an application to the HUD Sustainable Communities grant that was unsuccessful. There has been an advanced NoFA this year, with a decrease to \$100 million for the program, including \$68 million for regions. COG has preferred sustainability status for this year's program. The focus of the proposal is on complete communities and transportation corridors. COG Board and the Transportation Planning board will be briefed of the proposal and have authorized the Executive Director to sign off on it. There has not been a final NoFA yet, but it is expected that proposals will be due before Labor Day.

- g) Roundtable Updates** (All):

- a. Mr. Barancewicz, Loudoun County Public Schools: There is interest in electric vehicles. We anticipate that soon parents will come to the school expecting to be able to plug in their electric vehicle.
- b. Mr. Schultz, Takoma Park: Funding has been included in the 2012 budget to hire an environmental sustainability coordinator. We are currently working on the RFP. This should increase our ability to participate.
- c. Mr. Carr, Maryland House of Delegates: Stormwater and wastewater, fracking, and a recyclable bag tax will be big issues in the Environmental Matters Committee in the next legislative session.
- d. Mr. Spiegel, Gaithersburg: Gaithersburg will adopt the Montgomery County PACE program and is glad to support it.
- e. Mr. Briggs, Frederick County Sustainability Commission: An increase in commuters is a concern because 40% of the population commutes out of the County.
- f. Mr. Simons, MDOT: MDOT is doing a lot of work on EV charging. The state has 20 stations now with more on the way, including 2 at MDOT offices.
- g. Mr. Pattison, MCEC: The MCEC Clean Energy Summit will be August 25-27th in Bethesda.
- h. Mr. Indrakanti, Cambridge Systematics: The firm is working on many private projects around the county on climate change and adaptation.
- i. Ms. Barry, Falls Church: Involved in the tree inventory group.
- j. Ms. Locascio, Sierra Club: Acted as an advocate for the DC bag bill and can help elsewhere. The Sierra Club believes that with a lack of federal leadership on coal plants, the Club will take action one plant at a time for the public health benefits.
- k. Ms. McGimsey, Loudoun County: The County's energy manager saves much more money than his salary annually.
- l. Ms. Davis, Greenbelt: The Maryland Municipal League is sponsoring a sustainable communities program based on the New Jersey program. All can sign up. The city is working on a sustainability master plan and a solar cooperative on a church.
- m. Ms. Healy, WMATA: As the new Sustainability Project Manager at Metro I hope there are more programs that correlate with the work of this committee.
- n. Ms. Keicher, IMT: IMT just released a building energy transparency report which features DC. It contains policies, best practice and challenges. IMT also released a report examining job growth from these policies that did not involve government spending.
- o. Ms. Adams, Washington Gas: Washington Gas is a resource for clean and efficient energy and has projects at Watergate, the renovated GSA facility, and a solar installation at Catholic University.
- p. Mr. Walz, NVRC: Home Performance with Energy Star will now have an official management/ sponsorship team for its Northern Virginia program. NVRC is helping to get localities involved.
- q. Mr. Moki, Prince George's County: There is a renewed sense of green in the county. The new executive has created a workgroup and is considering creating an office of sustainability.
- r. Mr. Way, Manassas: Manassas just completed a four day sesquicentennial celebration of the First Battle of Manassas. There were no major incidents, and 57 heat incidents at an event of 27,000 people. Snake bites were a bigger issue.

8. Adjourn

The next meeting is scheduled for September 28, 2011 from 9:45am to noon. There being no other business, the meeting was adjourned at 12:05pm.