

Monroe County Climate Action Plan Advisory Committee Meeting Minutes

via zoom

February 4, 2021 (3:30 – 5:00 p.m.)

Drafted: February 5, 2021

Approved: March 4, 2021

Members: John Botelho, Fred Ancello, Matthew O'Connor, Sue Hughes-Smith, Kathryn McArdle, Leah Wirley, Helen Frank, Liam Smith, Michael Yudelson

Absent: Karla Boyce

Staff: Mike Garland, Tina Stevens, Joe VanKerkhove, Patrick Gooch, Clement Chung, Yasmin Guevera, Sean Murphy

Guests: Ed Doll and Peter Acampora, Fluent Energy

Welcome, Introduction and Announcements (Co-Chair O'Connor)

Meeting called to order at 3:34 P.M. by Co-Chair O'Connor.

Approval of Minutes (Co-Chair O'Connor):

1. Minutes from the January 7, 2021 meeting were unanimously approved. Motion by Co-Chair Hughes-Smith; seconded by Co-Chair O'Connor.

2. Mike Garland introduced Monroe County DES' Solid Waste Administrator Yasmin Guevara.

3. Climate Action website is up-to-date with meeting recordings and paperwork.

4. Congratulations to Liam Smith for testifying on January 27 at the New York State Budget Hearings representing the New York State Youth Climate Leaders, where he holds the title of Director of Governmental Affairs.

5. Mike Yudelson updated the CPAC on legislation: he has asked the County Executive's office to review the C-PACE program. Mike Garland said the program was under internal review by the County DES, Law, Finance and Real Property Departments. The next step will be to brief Administration. Mike Yudelson thanked the other Legislators on the CPAC, Karla Boyce and Fred Ancello, for their support.

6. Mike Garland and Clem Chung gave details regarding the County's registration as a New York State Climate Smart Community. Clem gave his thanks to the CPAC for getting Legislation passed by the County, authorizing the application. Clem said there was a long way to go for Bronze or Silver designation but most steps dovetail with the steps in the Climate Action Plan that are currently being developed. The NYS DEC also tweeted their congratulations. Clem suggested asking the County to adopt the use of the Climate Smart Communities logo provided. Next steps include making lists of priority and mandatory actions, which may include the appointing of a CSC Task Force and a CSC Coordinator. Matt said it would make sense to have the Coordinator be a full-time County employee.

7. Joe VanKerkhove gave an update on the process of engaging the contractor, Bergmann, for Phase 1 of the County's Climate Action Plan. The contract process is almost complete and expected to be executed in the next few weeks, at which time the Committee will be ready to "hit the ground running" for Phase 1 – County Operations. That will morph into Phase 2, which will be the community plan.

8. Matt O'Connor thanked Kate McArdle for setting up the January presentation from Ulster County on their CAP. There was discussion about the differences and similarities between Ulster and Monroe Counties and how those would shape a plan. Monroe County is following the same process, which parallels NYS and the City of Rochester. It was noted that Ulster is one of only three counties in NY that is registered at the CSC Silver level. John Botelho said he had read the Ulster plan and was impressed at how easy it was to follow, which would make it easy for residents and municipalities to follow as well.

9. Matt also thanked Pat Gooch for setting up the March presentation from Monroe County's Director of Planning and Development, Ana Liss, regarding IDAs and Solar Projects. There were two projects in 2020 that received sales and mortgage tax exemptions. The County is investigating other means to economically support alternative energy projects. Sue Hughes-Smith stated that government realities do not match those of NY State, which say that by 2030 emissions will be 50% less – needs to be more ambitious. There are funds available through the Climate Leadership Protection Acts to help. Sue will research small government work groups.

10. Mike Garland spoke about the composting article from City Newspaper, which he was interviewed for and was distributed to members. This topic will be explored during Phase 2 of the County's Climate Action plan.

New Business:

Sean Murphy, Monroe County Environmental Services' Division of Engineering and Facilities Management, presented on the County's Energy Aggregation efforts.

1. County Demographics: 663 square miles, approximately 750,000 residents; 19 Towns, 10 villages and other public service groups; Variety of functions and services offered – common denominator: all use energy. County uses Fluent Energy to provide technical assistance, back-office support and risk management expertise.

Definitions:

- **New York Independent System Operator (NYISO)** - the organization responsible for managing New York's electric grid and its competitive wholesale electric marketplace. Unaffiliated with market interests, their mission is to serve the public under the oversight of state, federal and reliability organizations.
- **Marathon Power, LLC** – the County's contracted supplier of natural gas. The former supplier, NFR, sold their assets to Marathon.
- **Load Serving Entity (LSE)** – any member of the NYISO that purchases/consumes power. Includes ESCOs, Direct Customers, Utilities, etc.
- **Direct Customer** – for electricity, a large end-user approved by the NYS Public Service Commission (PSC) to purchase wholesale supply directly from the NYISO "for its own consumption and not for resale," effectively bypassing the local utility (e.g., RG&E) and ESCOs. For natural gas, a Direct Customer contracts for supply through a wholesale contract for delivery to a separate pool on the local utility's system. Local utility provide Delivery Services.
- **Energy Service Company (ESCO)** – a retail energy supplier, licensed by the PSC to sell power and gas to end-users. An alternative to purchasing commodity supply through the local utility company. For electricity, ESCOs purchase wholesale power through the NYISO and re-sell to end-users (typically in a for-profit manner). Monroe County is NOT an ESCO. The County is a direct customer.
- **Fluent Energy Corporation** – contracted to the County to provide technical assistance, back-office support, risk management expertise.
- **Decatherm (Dth)** - equivalent to ten therms or 1 million BTU. One decatherm is equal to approximately 1,000 cubic feet (Mcf). Dth is the primary unit used wholesale gas purchasing.
- **Kilowatt hour (kWh)** - a measure of how much energy one uses. It is a unit of measure that equals the amount of energy to kept a 1,000 watt appliance running for an hour.
- **Megawatt hour (MWh)** – 1,000 kWh. The primary unit of measure in the NYISO market.
- **Renewable Energy Certificate (REC)** - the 'green' attributes associated with 1 MWh of renewable energy production.

2. History:

- During the 1980s and 1990s, the County operated three Water Resource Recovery Facilities (Wastewater Treatment Plants) and burned the by-products (sludge), which required large amounts of natural gas.
- In the early 90's, the County decided to purchase natural gas through commercial markets.
- In 1999, Monroe County was approved as a Direct Customer by the NYS Public Service Commission, which allows the County to purchase electricity and natural gas on the wholesale market.
- Several municipalities and special districts have joined this collaborative and in doing so, electric and natural gas loads are aggregated and bid/purchased as a whole. The annual dollar amount fluctuates due to commodity prices and usage; however, the total program is approximately \$25 million annually with a combined savings over the past 9 years of 7%.
- The County no longer burns sludge and it is brought to the County's Mill Seat Landfill.
- County buys the power for the 23 member EAG, and there are 1500 total service accounts, including 1200 electric and 300 gas service connections, which include County Departments, Towns, Villages, Fire Departments, MCWA, and others.
- Over 9 years, over \$13.5 million dollars (6.3%) in electricity savings and nearly \$3 million dollars (12.4%) in natural gas savings have been realized
- Whenever the County has the opportunity to save energy, it will.

3. Solar:

- Solar is provided under a Power Purchase Agreement. Solar developer charges the County for electricity generated.
- The electricity that is generated from the solar arrays is put into RG&E's grid. Deliver charges from RG&E are credited to the County based on amount of electricity generated by the solar arrays
- The delivery credits from RG&E are greater than the solar developer's charges, so for the 13.6 KWH provided over the past couple of years there has been a net benefit of \$500k to the County
- In 2014, the County issued an RFP for the development of solar energy and several large arrays were constructed at the former Gloria Drive Landfill site and at the Northwest Quadrant Water Resource Recovery Facility. The proposal was awarded to Solar Liberty (now AES).
- The generated power and associated solar attributes (RECs) are received by RG&E, converted into monetary bill credits, and applied against the County's RG&E delivery charges.
- The County does not receive RECs through this process.
- While the County can claim credit for creating a significant amount of local solar generation, it cannot claim that it is consuming green energy from the arrays.
- Due to the structure of the solar market in NY, very few, if any entities with similar projects to the County own the associated RECs. Projects are not financially viable if RECs are retained.

4. REC's:

- Hard to purchase REC's – to be 100% "green", would cost \$500,000 - \$1,000,000 out of pocket.
- County currently makes \$500,000 a year selling power.
- Matt O'Connor asked why NY REC's are so much more expensive. Ed Doll from Fluent stated that a Tier 1 REC from NY would average \$22/MW; the lowest compatible REC acceptable to the NY CSC would average \$6.
- Important to remember a REC is an attribute, not a physical item.
- 1 MW or 1000KW at generator level tracked / tagged; separate value of commodity by tract attribute to incentivize renewable energy.
- Sue Hughes-Smith stated that NYS REC's are expensive because energy consumption is high in New York State, with no corresponding increase in production. There needs to be more generation or a decreased demand.
- Purchasing RECs from out of state: other states keep REC prices high to keep renewables in their state
- Tier 2 will be new for RECs and designed to keep them available in NYS.
- NYSERDA estimates NY is at 27-29% renewable energy; have to get to 70% by 2030.

5. Clean Energy Standard:

- The Public Service Commission's Aug 1, 2016 order established Clean Energy Standard (CES).
- The current CES requires that 70% of NY's generation resources are renewable by 2030.
- The CES requires that **ALL** LSEs purchase the following products through NYSERDA in order to support the 70% goal:
 - Zero Emission Credits (ZEC). Effectively a subsidy to keep upstate zero emission nuclear generation viable.
 - Tier 1 REC. T1 RECs are produced by newer eligible renewable generators (started after 01/01/2015).
 - Tier 2 REC. RECs produced by generators who began operation before 01/01/2015. T2 RECs compliance requirements will begin later this year.
- RECs purchased for CES compliance would count toward the County's green goals.
- The 2021 REC compliance requirement is only ~2% of load, but will increase to 8.2% in 2023.

6. Renewable Opportunities:

- Develop RFP to purchase RECs
- NY Hydro REC approximately \$6/REC.
- While in-state RECs are obviously more in line with NY's goals, out-of-state certified RECs may be a lower cost alternative. Estimate @ \$1-\$2/REC.
- Community Solar Participation
- Low risk opportunity to earn bill credits against RGE delivery invoices.
- Does not in itself provide green energy, but can provide significant benefits that could be earmarked for REC purchasing.

7. Sue Hughes-Smith stated that several municipalities have their own contracts with different providers, some community based (Ampion and Joule). These provide residents and consumers with the same programs available to municipalities. Community solar systems are generally set up to have 60% commercial and 40% residential customers to have a solid financial foundation.
8. Mike Garland said that County Executive Bello has re-instituted the Council of Governments. It is expected to present to that group when the Climate Action Plan reaches Phase 2.
9. Mike talked about the Mill Seat Landfill Gas Energy facility, which produces 6.4 MW of electricity which is sold to the grid and subject to the volatility of energy markets.
10. Sue Hughes Smith asked about the county reducing energy by conservation. Sean stated that because many County operations are energy-intensive and operate 24 / 7, the County seeks to find conservation opportunities where it can, such as the installation of LED lighting in all facilities.
11. Sue asked if it was possible for the County to enter into an agreement with local nuclear facilities to purchase power. Ed stated the County was most likely not large enough for this to be an attractive opportunity for the nuclear provider.
12. John Botelho asked about using physical resources inside the County, such as the waterfalls, to generate hydropower. Sean stated that RG&E was doing that.

Public Forum:

1. No public comments or requests to speak were received.

New Business:

1. Next meeting is Thursday, March 4 at 3:30, via Zoom. Link will be sent out one week prior.

Motion to adjourn by Mike Yudelson; second by Sue Hughes-Smith. Meeting adjourned at 4:56 PM.