

Environment and Energy Conservation Commission
Draft

Summary of February 24, 2020 Meeting
2100 Clarendon Blvd, 311 Conference Room

Members Present: Jonathan Morgenstein, Carol Rakatansky, John Bloom, Carrie Thompson, Mike Hanna, Claire O’Dea, Teresa Leonardo, Gabriel Thoumi, Joan McIntyre, Timothy Effio (Phone)

Members Absent: Shawn Norton, Mike Mesmer

Guests: Maurice Walters, Marc Dubick, Andrea Schaub, John Segreti, Nathaniel Krumpe, Dara Strong, Patricia Cheeh

Staff Present: Adam Segel-Moss (DES), Demetra McBride (DES)

1. Public Comment

No public comment.

2. Key Bridge Marriott

Maurice Walters provided an update on the Key Bridge Marriott project. Maurice noted that:

- The agreement is Located in Pittsylvania County
- Ownership: Dominion Energy Virginia acquired project rights in 2019
 - Supports Dominion goal of 3000 MW by 2022 under SB 966
- Projected capacity: 120 MW
- Land size: 1500 acres
- County share: up to 38 MW
- County electric load: represents over 80% of the County’s electric energy usage
- Operational Date: Q3 2022
- Term: 17 years

Tim Effio asked if 38 MW is 31.7% of peak load. John Morrill noted that the PPA is based on MWH not peak load.

John detailed how the virtual power purchase agreement would function.

- Dominion will build the solar farm and sell the electricity it generates onto the power grid.
- Dominion will receive the wholesale market price for the electricity, which varies hourly.

- Arlington agrees to pay Dominion a fixed price for a portion of the electricity generated there.
- The difference between the actual wholesale revenue received and the revenue provided by the fixed rate determines the cost, or savings, to the County for the transaction. This amount is expected to be small.
- Arlington receives the Renewable Energy Certificates (RECs) for the solar electricity generated by the County's portion of the project.

Some of the financial / programmatic advantages to the County include:

- Fixed rate, no escalation
- No capital outlay by County
- Expense neutral, potential to be revenue-positive
- Reinforces leadership role
- Opportunity to further expand Dominion partnership

Some of the sustainability / resilience advantages to the County include:

- High-quality Renewable Energy Credits (RECs)
- Construction will NOT require deforestation
- Local economic impacts in-state
- Exceeds County's CEP Goal of 50% renewable energy for Government Operations by 2022

This solar farm would not be built if it were not for Arlington making this agreement. This agreement creates new additional solar. Arlington is the first locality in Virginia to purchase solar through a VPPA at this scale.

John noted that this agreement is not without its risks. Some of the possible risks to the County include:

Wholesale market rates fall below County's fixed rate for an extended period

- Rates County pays under VEPGA agreement for electricity will likely fall as well, and offset losses
- Outside 3rd-party analyses project steadily rising costs of natural gas and wholesale electricity in Virginia
- Credit for renewable energy without new transactional or budget costs

Gabriel asked if the energy could be used for electric vehicle charging. John noted that the power will go to the grid and clean the overall grid. For County vehicles or others charging at County facilities, the energy associated would indeed be ~80% renewable.

Tim Effio asked if DVP did a dispatch model. John noted that it wasn't shared. Mr. Effio also asked if an RFP process was performed as part of this process. No RFP was undertaken to reach this agreement, but other RFPs may be undertaken in the future. Due to a joint agreement with VEPGA this purchase authority was made

possible. Mr. Effio said that, as a resident, he feels that clear and transparent buying is important and that an RFP would have been the better mechanism to execute this action.

John noted that an RFP was discussed at length. Given that 2022 is the goal to reach 50% renewable electricity, an RFP would have made the process orders of magnitude longer. Jonathan asked what the use of the land was that the solar was being placed on. John Bloom noted that Pittsylvania County has a 17-point ordinance for where solar can be installed, how, mitigation measures, and more. Pittsylvania County sees this type of deal as central to their economic development model. This project met the requirements for their community.

A motion was made by John Bloom to support this action and provide public comment at the Board meeting to:

- Note E2C2 support
- Applaud effort to reach CEP goals

Timothy Effio opposed the motion, all other members approved. The motion passed.

3. 1900 Crystal Drive Letter

The Commission discussed, amended, and approved the 1900 Crystal Drive letter.

4. Meeting Minutes

The Commission reviewed, amended, and approved the meeting minutes for December.

5. Old / New Business

Gabriel gave an update on 2 degrees investing. He noted that he would like to focus on investing over the coming year. Gabriel noted that he would like to focus Arlington and the Commonwealth on socially responsible purchasing, do so without deforestation commitment, and divesting in fossil fuel-related investments. Gabriel also noted that S&P and Moody's are now going to be weighing state and local government ratings as they relate to implementation for climate action / mitigation.

Carrie Thompson noted that she is interested in Biophilic Cities.

John Bloom noted that he would like to connect with commissioners between now and the next meeting. John is looking for input and ideas as he takes on the Chair role.

Teresa Leonardo noted that she attended a recent Urban Forestry meeting. There may be changes to the tree canopy fund. Historically, funds had only been available for tree planting. They are looking to change this so that funds could be used for tree maintenance as well. Ms. Leonardo also noted that the spotted lantern fly is of major concern. It has been 'spotted' recently in the region and could have significant impacts on agriculture and tree canopy.

Mike Mesmer attended the recent Utility Advisory Committee meeting. He noted that they gathered more than 3,000 survey results for how utilities might be changed going forward and how revenue might be gathered.

Jonathan Morgenstein noted that he is stepping into the Energy Committee chair role. He noted that staff gave an update on the energy and sustainability dashboard. He noted that it is still with the County Board for review which is preventing dissemination to the EC for a detailed review/comment. Jonathan also noted that Scott Dicke gave an update on the CPACE program.

Timothy Effio attended the recent Vision Zero meeting. He noted that this is the effort by the County to address vehicle, bicycle, scooter, and pedestrian incidents. The second meeting is on January 16 and a pop-up event is being held on January 28 at Washington-Liberty.

Mike Hanna attended the most recent Career Center PFRC meeting. He noted that tree discussions continue and the tree on Walter Reed frontage is being discussed. Net zero was raised as a possibility for the site. They are currently looking to design the project for 23 BTU per sq. ft. No geothermal is being explored.

Mike also noted that the budget is going to be released soon. Mike noted that it would be helpful for commissioners to carve up different sections for review and comment.