

City of Cambridge
Climate Protection Action Committee

Minutes

January 9, 2014

Attendees: Quinton Zondervan (chair), Jackie Cefola, Betsy Boyle, Lyn Huckabee, Susy Jones, Ted Live, Tom Page, David Rabkin, Marguerite Reynolds, Keren Schlomy, Scott Wood, Janet Curtis, Bill Zamparelli, Ted Live; **staff:** Susanne Rasmussen, Bronwyn Cooke

Quinton Zondervan (QZ) chaired the meeting.

Susanne Rasmussen (SR) updated the group on new business since our last meeting.

Susanne said that the **Hub Bike** the bike share company has extended its service through the winter months, as a test case this year. (Service was discontinued last winter.) She said that there was a dramatic drop in rider usage in December, perhaps due to the weather that month. Also, there has been one fatality reported (the first such incident). A Hub Bike rider collided with a van.

SR said that **Net Zero Task Force** has been formed. Staff is putting together a committee to advise them.

SR said that the staff is currently in the midst of their annual budget process. She identified their top priorities as: **Building Energy Usage**, the **Climate Vulnerability Assessment**, and **Onsite Renewables**. The stated goal for promotion of Onsite Renewables is reach 5% by 2020.

SR announced that there would be a presentation of the **Climate Vulnerability Assessment** at the Senior Center on 1/29.

Presentations from **Larry Cretien (LC)** – Director of **Mass. Energy Consumers Alliance (MECA)** and **Bruce Biewald (BB)**, CEO of **Synapse Energy Economics, Inc.**

Background: LC & BB were invited to provide advice to CPAC and answer members' questions regarding a proposed plan to aggregate electric purchases for all Cambridge residents who on basic service. The plan is to use that the savings, from buying power in bulk to purchase power from a greater percentage of renewable generating sources than is required under the state RPS. As a result, carbon emissions for the average electric power used in Cambridge would be reduced, since more of it would come from renewable generating sources and use of renewable energy would be promoted to Cambridge residents and, by example to other communities. A community aggregation proposal was first presented to CPAC at the Oct. 2013 meeting by Paul Gromer of Peregrine Energy Group.

Each guest gave a short presentation on aggregation and what aggregation would mean for Cambridge, if we followed the recommendations of the proposal from Peregrine Energy.

LC provided a review of the Peregrine Energy proposal and presented the various options in that discussed in that plan, which included: An "Opt-in" plan (where customers would have to request the

service from the aggregator) and “Opt-out” plan where basic service customers would be switched automatically unless they specifically request to opt out.

LC also described the difference between a “dark green” option with a higher percentage of renewables (e.g. 50% or 100%) versus a “light green” option where just the savings from aggregation would be invested in new renewables (resulting in an increase of about 4 to 8% in renewable content for basic service customers). LC pointed out that an Opt-In “dark green” option would cost more per kWh for those who participate, but could, if popular enough, yield as much funding for new renewables as Out-out “light green” plan. However, more likely the Opt-out options would lead to the most new renewable production and would likely cause no rate increase. LC also said that Cambridge could do both a “light green” and a “dark green” option – i.e. provide an additional opt-in plan with higher renewable content for customers who want to do more and don’t mind paying more (or promote existing dark-green options, while doing a light-green opt-out program for everyone else).

LC said that RECs have to be Mass Class I RECs to be assured that they are truly additional.

MECA tracks RECs for customers on behalf of N-Grid and is currently working on a similar deal with N-Star. MECA signs 5 and 10 yr. contracts with generators of Class I RECs.

David: If a consumer enters into an agreement with MECA what will be the impact?

LC: Right now, you would probably pay around 15¢ / kWh.

Tom: Would there be a penalty for any customers after the aggregation if they chose to go back to basic service if they went back to basic service?

LC: No, there would be no penalty. Customers could all go back to basic service without any penalty.

QZ expressed that the question that the committee has been struggling with is whether it is worth the effort for Cambridge to pursue aggregation and he asked the guests opinions.

Both guests said that they thought that the plan from Peregrine energy could work and their estimates seemed reasonable. Both warned against buying cheaper RECs available from outside the region or any RECs that were not Class I, because they may not lead to new additional renewables being built in that case.

BB: If not Mass Class I RECs, then the money may end up simply giving more money to owners of existing renewables.

Betsy: How does E-Z Energy fit into this?

LC: MECA had a partnership with them, but E-Z Energy went out of business at the end of last year.

David: Is the distinction between “new” and “existing” an arbitrary distinction?

BB: It’s a pragmatic distinction because of other policies that came online at the time that the law that created the REC system was passed. New Mass Class I RECs are guaranteed to be additional.

LC: If we want to increase the amount of renewable energy in the state, then we should focus on increasing the growth of RPS requirements first and foremost.

BB presented a chart on the future of energy production in the US and New England.

Keren (in response to the chart): Is it realistic to assume in the base case that there would be reductions in nuclear generation?

BB: When this was done (in 2011) that was the projection for nukes and coal. Reports are on their website (Synapse Energy). The study was done to determine the value of energy efficiency in MA as part of a multi-stakeholder process.

Jackie: We've been told that it would be politically very difficult and perhaps legally not possible to with a dark green plan for everyone (because it would cause the rates for everyone on basic service to rise).

LC: There is a legal loophole in the interpretation of the law by the MA Public Utility Commission (PUC). Cambridge could file legislation to change that, if ruled against, or could opt for full municipalization.

Susanne: What non-renewable generation would be best to buy to make up the rest of the power, if we go for the 4% renewable content opt-out option?

LC: It doesn't make a difference. It would all be the same. You would purchase the remaining portion based on price rather than environmental attributes (because all non-renewable generation would have the same average system emissions attributed to it).

LC: The gubernatorial election in 2014 will be a big factor in how things change (in renewable markets) and whether we continue to go forward, or back.

Keren: Could we add more energy efficiency?

Susanne: We're talking with N-Star about a new multi-family pilot. We get N-Star data every year. The data is made available to the Department.

Lyn: The advocates are asking for a better database with more granular data that would show the impact of energy efficiency and more information on facility type.

Quinton: Should we be investing in offshore wind in Mass. Or the new reportedly cheaper wind projects in Maine?

LC: We are all going to be underwater unless we do both.

Visitor: Is there a way to ensure that the new RECs purchased would be additional, if Cambridge aggregates?

BB: Yes they would be additional. REC reporting requirements would ensure this.

David: What percent of currently generated RECs are purchased?

LC: Virtually 100%.

LC said that more coal and oil may have been used very recently by power plants, probably due to gas transmission constraints.

BB: Is N-Star thinking about ending the wind program?

Bill: I have not heard anything about that. N-star has long-term contracts with wind suppliers (so it seems unlikely).

LC: Most likely those N-Star contracts will continue but their output will be counted as part of basic service. N-Star Green will continue until then.

December meeting minutes were unanimously **approved** by a quorum of committee members.

Next:

Bronwyn Cooke (BC) gave a presentation on the new Kendall Square Eco-District (KSED).

An "Eco-District" is a new model of public-private partnership that emphasizes district scale best practices.

4 Phases to the Project Framework

- 1) District Organization (establish a stakeholder group)
- 2) District Assessment
- 3) Project Feasibility and Development (Identifying priority projects)
- 4) District Management (Refining the vision of the group)

Considerations of the District Assessment

- ✓ Equitable Development
- ✓ Health and Well-Being
- ✓ Community Identity
- ✓ Access / Mobility
- ✓ Energy (goal say: New Zero Energy but not currently defined)
- ✓ Water
- ✓ Habitat
- ✓ Materials Management (including wastes)

Susanne pointed out that some of the goals of the district are social rather than strictly environmental

BC will send around a 2-page assessment to members by email

Some Examples of Priority Projects for the Eco-District Group

- ✓ Public Spaces
- ✓ Hubway Bikeshare
- ✓ Community Events
- ✓ Car Sharing
- ✓ District Energy System
- ✓ Onsite Renewables
- ✓ Creating “20-minute” neighborhoods (i.e. where residents can find all basic needs within a 20-min walk, or less)

BC: There are examples of Eco-Districts in:

- Portland, OR
- Washington DC
- Boston, MA
- And, many other cities

Eco-District models vary. There are “top-down” and “bottom-up” districts.

The Boston Eco-District are in:

- Longwood Medical Area
- Talbot-Norfolk Triangle (in Dorchester) (bottom-up)
- Innovation Districts (e.g. the Seaport area) (top-down)

Benefits of the Eco-District model:

- Stakeholders have opportunity to voice concerns within the group
- Cost savings to organizing in this manner
- **Not** a city-driven project

BC: Kendall Square presented is great opportunity for a pilot project.

BC: Boundaries for the district are based on the Kendall Sq. Assoc. map. Some disputes over current boundaries. No rules have been set yet by the group to determine exactly what areas are in or out. Goes as far north as Finney St.

Scott: How did the idea of an Eco-District first surface?

Susanne: Zoning is a limited regulatory tool, because zoning regulations have to be implemented immediately. You cannot “stretch” the requirements (i.e. provide flexibility on timing or go further for some parties). The idea for the KSED emerged during the K-2 process. Also, there are a lot of different types of projects that a single sector can’t do alone. But, if you work together in a public-private partnership then you can do it (e.g. bikeshare requires input from multiple parties).

QZ: So is the KSED going to happen?

BC: Currently there are 17 – 20 “active” stakeholders including:

- Alexandria

- AmGen
- BioGen
- Bio-Med Realty
- Boston Properties
- (...others)

BC: Cambridge recently sponsored a well-attended Eco-District Summit. Funding for the KSED will come from a \$210,000 grant from the Barr Foundation. Department will hire one part-time project manager and one district energy consultant.

However, the Department does **not** want the KSED to be perceived as city-run process, though the Dept will act as the party receiving the Barr Foundation grant.

Next:

Quinton followed up from the previous meeting in Dec. with Mayor Davis. Asked if there is more that the committee thought we could do to promote local renewables.

Tom: Should we set a timetable to make a decision on the aggregation issue?

Quinton asked the group if we feel we are ready to make a decision now (after hear the presentations).

David said he'd like to see a summary of pros and cons laid out

Quinton offered to send around a summary of the pros and cons of aggregation to all committee members by email (so that everyone, including those members not present would have the same information).

There was a general consensus among committee members that this should be done.

Quinton: I will put together a summary and then we can review it a future meeting and plan to make a final decision on whether to pursue aggregation at that time.

Jackie: As a committee, we shouldn't concern ourselves with any potential political concerns of aggregation, we should just offer our best opinion as a group on whether it makes sense.

David: It would also be very useful to have a summary document of the pros and cons of aggregation, so that 2 yrs from now (if it passes), we can review this if need be to see what our think was at that time.

Meeting adjourns.

Notes by Tom Page