

**Energy, Environment and Sustainability Committee
Regular Meeting Minutes**

DATE & TIME: March 2, 2023 – 3:00 PM
LOCATION: Karen L. Binder Library, 6th Floor, County Office Building, Kingston
PRESIDING OFFICER: Chair Manna Jo Greene
LEGISLATIVE STAFF: Chelsea Villalba, Legislative Employee
PRESENT: Deputy Chair Gina Hansut and Legislators Aaron Levine
ABSENT: None
QUORUM PRESENT: Yes

OTHER ATTENDEES: Legislator Phil Erner; Nicholas Hvozda – Department of the Environment; Nathan Litwin – Department of Finance: ARPA Division; Deputy County Executive Amanda LaValle; Executive Director Greg Ollivier, Board Vice Chair Margot Becker – Ulster County Resource Recovery Agency (UCRRA); David Gordon, Esq. – Legislative Counsel; Paloma Wake – Beacon City Council; Simon Strauss (Olive CAC) and Dana Hall – Mid-Hudson Energy Transition, Amy Kletter – Ulster Activist; Pamela Timmins – Riverkeeper

Chair Greene called the meeting to order at 3:10 PM and Legislator Levine led the Pledge of Allegiance.

Motion No. 1: **Moved to APPROVE the Minutes of the February 2, 2023 Regular Meeting of the Energy, Environment & Sustainability Committee**

Motion By: Legislator Levine
Motion Seconded By: Legislator Hansut

Discussion: None. Hearing none, Chair Greene called the question.

Voting In Favor: Legislators Greene, Hansut, and Levine
Voting Against: None
Votes in Favor: 3
Votes Against: 0
Disposition: **Minutes APPROVED**

Chair Greene recognized Director of the Ulster County Department of the Environment Nick Hvozda to provide department updates to the Committee on Public Comment submission on the Interim Release Protocol modifications, Reuse Innovation Center, Hudson 7, and the Bard Student Climate Project. Director Hvozda informed the Committee that Ted Griese would be representing the Environmental Management Council hereafter.

Chair Greene recognized Executive Director of the Ulster County Resource Recovery Agency Greg Ollivier to provide updates to the Committee regarding a county landfill siting Request For Proposals, Request For Statement of Interest regarding municipal solid waste diversion, and increasing educational outreach.

Resolutions for the March 21, 2023 Session of the Legislature

Resolution No. 5 - Setting A Public Hearing On Proposed Local Law No. 12 Of 2022, A Local Law Providing For The Rights Of The Residents Of Ulster County To Clean Water, And For The Rights Of The Hudson River, Also Known As Mahicannituck, To Be Held On Tuesday, March 14, 2023 At 7:05 PM

Resolution Summary: Sets a Public Hearing on Proposed Local Law No. 12 of 2022.

Motion No. 2: **Moved Resolution No. 5 for DISCUSSION**

Motion By: Legislator Hansut

Motion Seconded By: Legislator Levine

Discussion: Legislator Erner requested that the Committee Take No Action. Chair Greene recognized Counsel Gordon to provide the Committee with legal background for similar environmental protection endeavors. Hearing no further discussion, the Committee decided to Take No Action.

Disposition: **NO ACTION TAKEN**

Resolution No. 78 — Amending The 2023 - 2028 Capital Improvement Program – Establishing Capital Project No. 659 - ARP Solar Infrastructure – Amending The 2023 Capital Fund Budget – Department Of Finance

Resolution Summary: Amends the Capital Improvement Program with the establishment of Capital Project No. 659 to build solar infrastructure.

Motion No. 3: **Moved Resolution No. 78 for DISCUSSION**

Motion Made By: Legislator Levine

Motion Seconded By: Legislator Hansut

Discussion: None. Hearing none, Chair Greene called the question.

Voting In Favor: Legislators Greene, Hansut, and Levine

Voting Against: None

Votes in Favor: 3

Votes Against: 0

Disposition: **Resolution ADOPTED**

Resolution No. 88 — Amending The 2023 Budget To Provide Hudson River Watershed Alliance With Funding For Administrative And Program Support Services To Assist Various Agencies In Ulster County - Department Of Finance, Division Of Recovery And Resilience

Resolution Summary: Amends the 2023 Ulster County Budget to fund administrative and program support services for the Hudson 7 to assist various Ulster County agencies in the amount of \$35,000.00.

Motion No. 4: **Moved Resolution No. 88 for DISCUSSION**

Motion Made By: Legislator Hansut

Motion Seconded By: Legislator Levine

Discussion: The Committee agreed to Take No Action, willing to have a Special Meeting, pending the ARPA Committee meeting.

Disposition: **NO ACTION TAKEN, PENDING THE ARPA COMMITTEE MEETING**

Resolution No. 113 — Amending Capital Project 568 - Electric Bus Charging Infrastructure Project — Authorizing The Chair Of The Legislature To Execute An Intermunicipal Agreement With New York Power Authority And Amending Capital Project 568- Department Of Public Transportation (Ulster County Area Transit)

Resolution Summary: Amends Capital Project 568 to increase project by \$697,000.00 for the purchase of charging infrastructure. New total project cost of \$1,457,229.00

Motion No. 5: **Moved Resolution No. 113 for DISCUSSION**

Motion Made By: Legislator Hansut

Motion Seconded By: Legislator Levine

Discussion: None. Hearing none, Chair Greene called the question.

Voting In Favor: Legislators Greene, Hansut, and Levine

Voting Against: None

Votes in Favor: 3

Votes Against: 0

Disposition: **Resolution ADOPTED**

Resolution No. 117 — Authorizing the Chair Of The Ulster County Legislature To Enter Into An Agreement With the New York State Energy Research And Development Authority For On-Site Energy Manager Consulting Services And Amending The 2023 Ulster County Budget – Ulster County Department Of The Environment

Resolution Summary: Amends the 2023 Ulster County Budget to increase by \$92,355.00 and authorizes execution of an agreement with Guth DeConzo Consulting Engineers PC for the On-Site Energy Manager Pilot Program.

Motion No. 6: **Moved Resolution No. 117 for DISCUSSION**

Motion Made By: Legislator Levine

Motion Seconded By: Legislator Hansut

Discussion: None. Hearing none, Chair Greene called the question.

Voting In Favor: Legislators Greene, Hansut, and Levine

Voting Against: None

Votes in Favor: 3
Votes Against: 0
Disposition: **Resolution ADOPTED**

The Committee acknowledged forthcoming Resolution No. 79.

Chair Greene recognized Dana Hall of Mid-Hudson Energy Transition to speak about the organization, provide the Committee with information on opt-out Community Distributed Generation (CDG) and Community Choice Aggregation (CCA) to help municipalities achieve climate targets, and answer questions from the Committee.

Chair Greene and the Committee discussed New and Old Business discussion items.

Adjournment

Motion Made By: Legislator Levine
Motion Seconded By: Legislator Hansut
No. of Votes in Favor: 3
No. of Votes Against: 0

TIME: 4:54 PM

Respectfully submitted: Clerk Villalba
Approved: April 6, 2023

What is CDG?

- **CDG stands for Community Distributed Generation.** It is New York's community solar program, however, DG is technology neutral, (e.g. hydropower and other renewable technologies are also eligible).
 - *Distributed Generation refers to generation sources that interconnect with the electric grid at the distribution level. In New York, CDG projects are capped at 5 Megawatts.*
- **Community DG is an opt-in bill credit program.** A DG project is built and owned by a private company who markets to subscribers to sign up voluntarily. Subscribers pay the company 90 cents on the dollar for the monetary credit on their bill. **CDG provides subscribers a 10% discount below the value stack rate.**⁺

What is CCA?

- **Community Choice Aggregation is a municipal program established by local law** (county governments may not establish CCAs). It enables municipalities who pass these laws to buy bulk energy on behalf of the customers within their legal boundaries (both electric and gas). Once the law is passed, all eligible* customers are automatically enrolled but must be given written instructions on how to opt-out. **CCA in New York is a Opt-Out model.**
- CCA is used by localities as a tool to achieve climate targets. By securing 100% renewable electric supply, significant emission reductions can be achieved.
- The rules for CCA are established by the Public Service Commission (PSC). These rules do not allow CCAs to automatically enroll low income or APPs (assisted program participants) unless they can guarantee that the supply contract will not raise those customer's rates. **A discount must be guaranteed for low-income customers.**
 - *The policy reason for this is simple. Low-income households typically have high energy burdens (the amount of total household income required for energy costs).*
- Municipalities with CCAs face a dilemma: **How to ensure that low-income households are not left behind in the clean energy transition?**

What is Opt-Out CDG?

- **Opt-Out CDG is a program that would allow CCAs to contract with community DG projects,** so that the bill credits from the renewable project could be applied to automatically enrolled CCA participants.
- Opt-Out CDG was first authorized by the PSC in response to a petition by Joule Assets, and subsequently a few municipalities passed supplemental laws and other CCA Administrators sought approval to begin setting it up. But on November 2021, the PSC issued an Order¹ which directed Staff to file, within 120 days, proposed opt-out CDG program operation, oversight, and enforcement rules, with the Secretary for future Commission consideration. **We are still waiting for this Order to be issued.**
- **Opt-Out CDG, once reauthorized, will allow CCAs to automatically enroll low-income customers first.**^{**}

+ The value of the credit is priced using the Value Stack (New York's pricing mechanism that replaced net metering).

* Some accounts are not eligible for CCA automatic enrollment, such as Assisted Program Participants (APPs), those who are already signed up with alternative suppliers, large (commercial and industrial accounts), and individuals who placed a block on their own accounts to prevent a change to their supplier.

** As with supply contract customers, some accounts are ineligible from automatic enrollment with Opt-Out CDG, such as customers who have rooftop solar already installed, those who are already enrolled in an opt-in community solar project and those who put blocks on their accounts.

¹ Case 14-M-0224, Order Identifying Further Procedural Steps Regarding the Development of Opt-Out Community Distributed Generation (issued November 22, 2021) (CDG Procedural Order).

WHY CHOOSE US

Our CCA program is a **transformative approach** to climate action. It goes beyond the bulk purchase of electrical supply. At the heart of our mission is creating **stronger, climate resilient communities** by providing options for everyone to share in the ownership and control of local distributed energy resources.



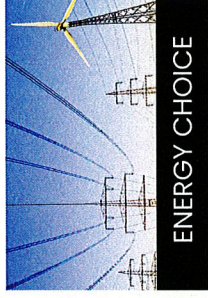
WHAT WE DO

MHET helps cities and towns across the Hudson Valley transition to an **equitable, clean energy economy**. We provide ways for people and businesses to receive their power from local renewable sources while making homes and offices more efficient and healthier.

WHAT WE OFFER



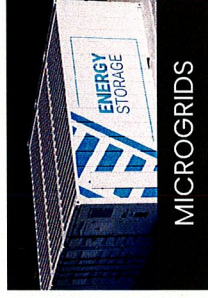
OUTREACH



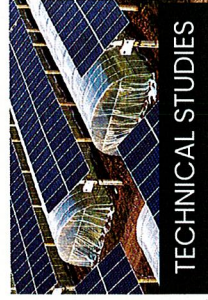
ENERGY CHOICE



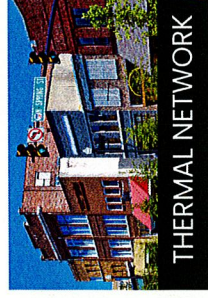
FINANCING



MICROGRIDS



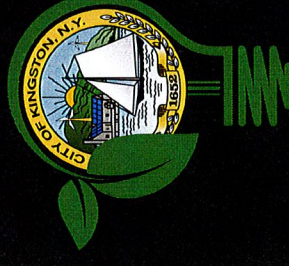
TECHNICAL STUDIES



THERMAL NETWORK

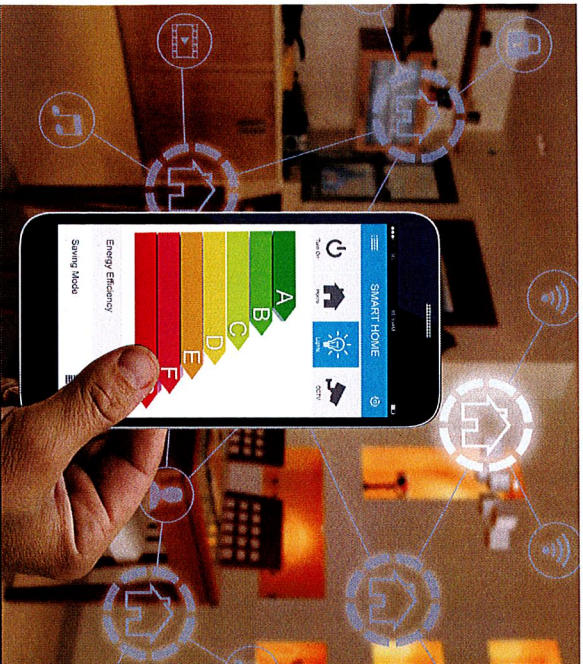
CURRENT PROJECT

See us in action in the City of Kingston! MHET along with our partner, **PowerMarket**, is leading the Kingston Community Energy project.



PowerMarket





PROGRAMS

COMMUNITY SOLAR

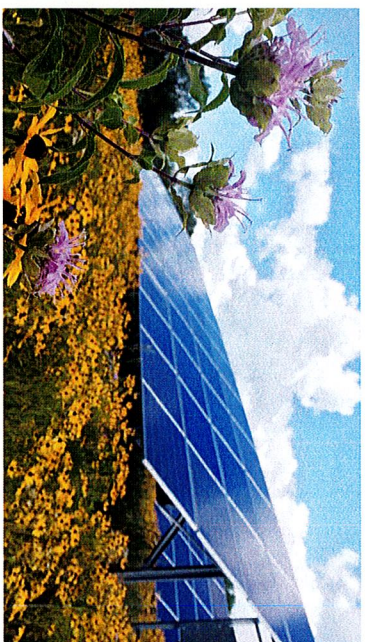
We develop community solar projects targeted to help reduce the energy burden for customers who are struggling to keep up with rising utility costs.

BETTER BUILDINGS

We help finance and coordinate the installation of climate friendly heating systems and efficiency upgrades to make buildings more comfortable.

TRANSPORTATION

We help cities and towns develop EV charging infrastructure and electrify their transportation systems by deploying zero-emission options.



ABOUT US


Mid-Hudson Energy Transition Inc. (MHET) is a nonprofit Community Choice Aggregation (CCA) Administrator that empowers municipalities, their residents, and businesses to own and share renewable energy, create healthier buildings, and strengthen the resilience of the Hudson Valley in the face of climate change.

CONTACT US

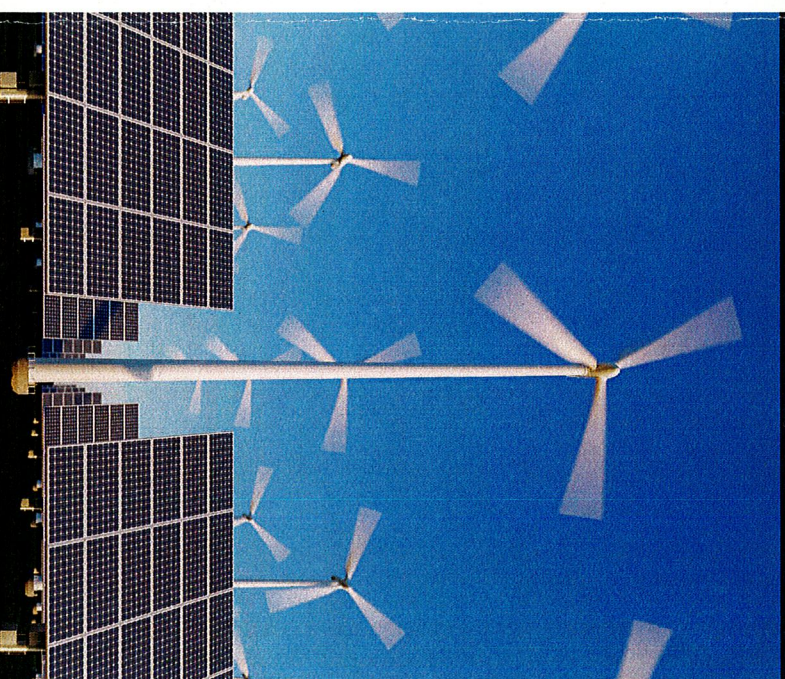
 info@mid-hudson.energy

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 280 Wall Street, Suite 379
Kingston, NY 12401

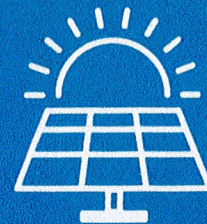
Mid-Hudson
Energy
Transition 

*Creating a
sustainable, clean
energy future for
everyone*



Unlocking the Benefits of Opt-Out Community Solar

POLICY BRIEF



Empowering Communities with Lower Solar Costs

“When CCAs integrate opt-out community solar, participating homes and small businesses are enrolled in one or more community solar projects from which they receive credits on their electric bill. These credits directly reduce the charges on the bill. Customers who are enrolled in community solar typically receive guaranteed savings of 5% to 10%. Opt-out community solar allows CCAs to enroll hundreds, or even thousands, of people at once. This significantly reduces soft costs associated with solar and makes the economics of solar all the more attractive. This arrangement has potential to continue the downward trend in solar prices and incentives, while the total amount of solar dramatically increases.”

- NYS Climate Action Council Scoping Plan

Executive Summary

Opt-Out Community Distributed Generation (CDG), also known as Opt-Out Community Solar, is a program within New York’s Community Choice Aggregation (CCA) policy. It is an innovative way for local governments to give residents and businesses access to clean energy by automatically enrolling them in community solar. This means that instead of having to actively sign up for a community solar project, eligible residents and businesses are enrolled automatically. Project participants receive utility bill credits, which offset the charges they would typically pay. This cost-effective program empowers communities to advance state and local clean energy goals, save money on electricity, and capture the benefits of clean energy, especially for households living in state-designated Disadvantaged Communities (DACs). It’s a win-win for families, businesses, and the environment.

However, the New York State Public Service Commission (PSC) put the program on hold in 2021. The PSC was expected to restart the program pending new program operation, oversight, and enforcement rules, but a recent PSC Order calls for more study of alternatives to Opt-Out CDG.

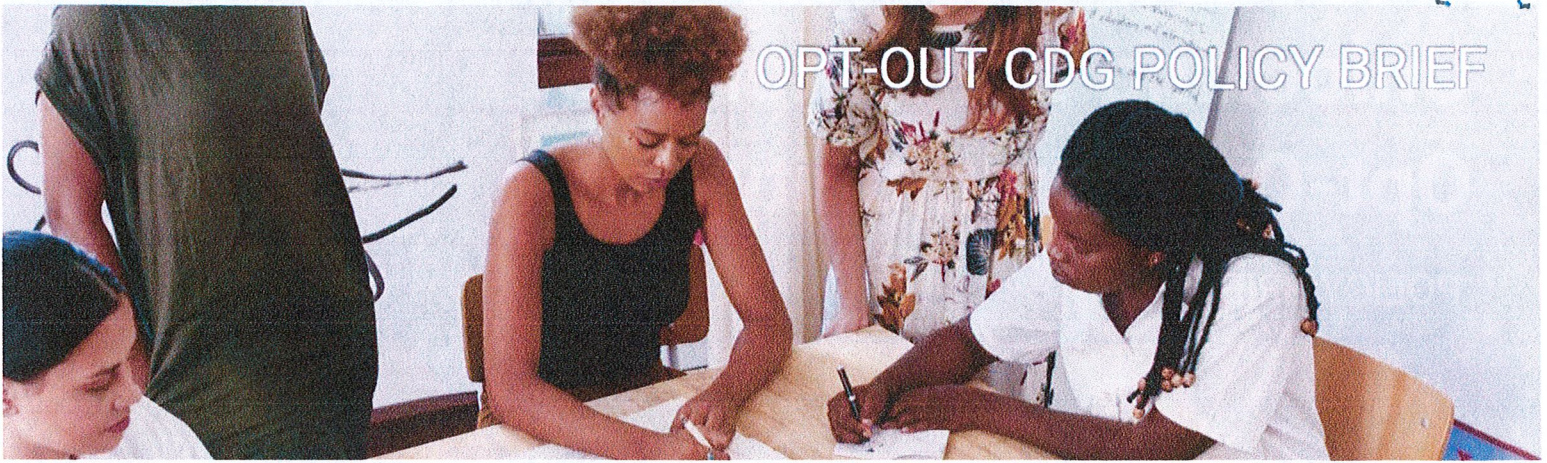
This is not just a delay... It has taken away a critical tool that local governments have to shape their energy future. Local governments are at the forefront of the movement to advance clean energy. They stand ready to fulfill their role in fighting climate change and building the new clean energy economy, but they need supportive regulations. Opt-Out CDG empowers communities across New York to play their part in achieving New York State’s ambitious climate and equity goals.

A broad coalition of local governments, environmental groups, and industry stakeholders is calling for this important program to be approved and implemented in New York State.

Join Our Coalition

Visit www.OptOutCDG.org to learn more





Benefits of Opt-Out CDG

Lower Utility Bills

By aggregating the energy demand of residents and small businesses within participating jurisdictions, communities can increase their bargaining power and negotiate better prices and terms for community solar. This results in lower utility bills for CCA members.

Increased Access to Clean Energy

Opt-Out CDG programs prioritize enrollment of low-to-moderate (LMI) income households, disadvantaged communities, and environmental justice areas. With this approach, New York can benefit from special incentives under the Inflation Reduction Act (IRA).

Helps Meet NYS Clean Energy Goals

Opt-Out CDG is expected to result in more solar projects being financed, developed, and interconnected to the state's distributed energy grid. It directly contributes to the state's goal of 10 Gigawatts of distributed solar by 2030. Most important, it lowers the cost of meeting that goal.

Background

Opt-Out Community Distributed Generation (CDG) is a program that allows local governments to enroll homes and businesses in their jurisdiction into community solar, making it easier for residents and businesses to benefit from local clean energy projects, especially low-to-moderate income (LMI) households. Opt-Out CDG was first approved in New York State in 2018 by the PSC, but in 2021 they paused the program pending the development of new program operation, oversight, and enforcement rules.

Restarting the Opt-Out CDG program is currently under consideration by the PSC. But rather than restarting Opt-Out CDG, the PSC's recent Order calls for study of alternatives to Opt-Out CDG stating, "In relation to its consideration of Opt-Out CDG, the Commission seeks more information on potential alternatives to the model that has been discussed to date. One potential avenue to furnish the benefits of CDG to more customers could be the adoption statewide of a program similar to the Expanded Solar For All (eSFA) program approved in the Niagara Mohawk Power Corporation d/b/a National Grid (National Grid) service territory."

PSC regulations already allow the stacking of benefits from CDG and eSFA. Opt-Out CDG and eSFA can work well together but Opt-Out CDG should not be delayed while eSFA is being developed. While eSFA has potential to benefit low-income residents throughout the state, it is a utility-led initiative that will require new billing processes to be developed by companies with a record of deficient billing performance and a history of failing to meet their obligations. In addition, eSFA will do little to encourage greater community engagement and local support for clean energy. Authorizing both Opt-Out CDG and eSFA will accomplish much more to advance the state's goals than eSFA alone.

It has been recognized since its inception that CCA programs have the potential to integrate innovative energy programs, products, and services in ways that benefit customers and help advance state clean energy goals. Opt-Out CDG is a natural offshoot of this, as it allows for

How You Can Help

Share Your Support for Opt-Out CDG With Your Community

Share information about the benefits of Opt-Out CDG with your constituents and encourage them to support the program by contacting the PSC and elected officials.

Reach Out to Other Stakeholders

Connect with other local governments, environmental groups, associations, and industry stakeholders in your area and encourage them to join the coalition.

Sign or Send a Letter of Support

We will provide you with a sample letter that you can sign and send to the PSC and elected officials, expressing your support for Opt-Out CDG. Or you can send an email to the PSC Secretary at: secretary@dps.ny.gov

Help Us to Keep You Informed

Keep us informed of any developments in your community and let us know if you need any assistance or resources.

automatic enrollment of customers into community solar, potentially enrolling thousands of homes and businesses at a time.

New York's 10 Gigawatt Distributed Solar Roadmap issued in December 2021 by the New York State Energy Research and Development Authority (NYSERDA) and the Department of Public Service (DPS) states, "Opt-out community solar offers a new element of efficiency and soft cost reductions to CDG development, since a project owner could avoid substantial customer acquisition costs associated with recruiting many individual participants."

The DPS Staff Whitepaper on CCA Programs issued in April 2021 recommends that the PSC adopt an Opt-Out CDG model for integration into existing CCA programs. This recommendation was further expanded upon in the DPS Staff Straw Proposal on Opt-Out CDG.

The New York State Climate Action Council Scoping Plan, adopted in December 2022 pursuant to the Climate Leadership and Community Protection Act (CLCPA), recommends, "NYSERDA should continue to encourage development of CCA programs where communities choose 100% renewable energy as the default supply and where participants are automatically enrolled in Community Solar. Prioritization of these efforts should be focused on Disadvantaged Communities."

A wide range of stakeholders including municipalities, environmental groups, businesses, and individuals have commented in these proceedings, demonstrating their strong support for Opt-Out CDG.

The PSC has long recognized the potential benefits of Opt-Out CDG, acknowledging that the program could propel the development of CDG projects across the State, motivate participating communities to make cleaner energy choices, and bring the State closer to reaching its goals.

The PSC understands the need for regulations to ensure a successful program that benefits all New Yorkers. It's time for the PSC to implement these new regulations and restart the Opt-Out CDG program.

OPT-OUT CDG POLICY BRIEF

Make Your Voice Heard

Send the email below to the PSC at:
secretary@dps.ny.gov

Subject: Comments - Case 14-M-0224

Dear Secretary,

I am writing to express my strong support for the implementation of Opt-Out Community Distributed Generation (CDG).

The PSC's recent Order calls for alternatives to be studied, but we believe this delay is unacceptable.

Disadvantaged Communities (DACs) are disproportionately affected by energy burden and climate change and often have the least access to clean energy resources. By prioritizing these communities in Opt-Out CDG enrollment, we can make major progress towards energy equity and environmental justice.

I urge the PSC to approve Opt-Out CDG as a key component of the state's Community Choice Aggregation program.

Thank you for your consideration.

Sincerely,
[name]
[organization]

Recommendation

The PSC should immediately issue an Order to restart the Opt-Out CDG program under the following cases and proceedings:

| | |
|----------------|---|
| Case 14-M-0224 | Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs. |
| Case 19-M-0463 | In the Matter of Consolidated Billing for Distributed Energy Resources. |
| Case 15-E-0082 | Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions For Implementing a Community Net Metering Program. |

Conclusion

Opt-Out CDG programs are a win-win for everyone involved. They can lower utility bills, increase access to clean energy, and help the state meet its clean energy goals. By working together, our coalition of local governments, environmental groups, and industry stakeholders encourages the PSC to approve Opt-Out CDG and unlock its many benefits for all New Yorkers.



The Opt-Out CDG Coalition represents a diverse group of local governments, environmental and equity organizations, and industry stakeholders seeking New York State support for local climate action including the implementation of Opt-Out CDG.