



Sullivan County Agriculture and Sustainability Policy Committee

May 12, 2016 AGENDA

1:30 PM

Committee Members:

Catherine Owens, Chair, Nadia Rasjz, Vice-Chair, Mark McCarthy, Terri Ward, Scott Samuelson

Call to Order

Attendance

Comments: Committee Chair

Presentation: None

Reports:

1. Agricultural Report- Melinda Meddaugh
2. Office of Sustainable Energy (OSE) Monthly Report- Carol Roig & Stephen Stuart

Discussion: None

Resolutions:

1. Authorizing the execution of a Hydroelectric Utility Remote Net Metering Agreement with Gravity Renewables.

Public Comment

Adjourn

SC Office of Sustainable Energy (OSE) Activities Report for April 2016

Reporting on March 2016

I. Requested information:

NYS Clean Energy Standard: The NYS Public Service Commission has produced a staff white paper regarding proposed provisions for a NYS "Clean Energy Standard." If approved by the Public Service Commission, the Clean Energy Standard (CES) will set binding targets for renewable energy that increase over time. The targets start with 27% renewables in 2017 and ramp up to 50% renewables by 2030. The Standard includes a number of specific strategies for reaching this goal. The PSC will hold a series of public hearings around the state and has invited public comment via the hearings, the PSC website, e-mail and an opinion hotline. The comment period will close on June 6th.

The County (as well as all the towns and villages in Sullivan County) has been notified of this process and invited to comment, and the County Manager has asked the Office of Sustainable Energy to review the PSC Staff White Paper and make recommendations regarding issues the County should address in formal comments. OSE will present more details at the Agriculture and Sustainability Policy Committee meeting.

II. ENERGY MANAGEMENT FOR SC FACILITIES

Current initiatives. Work continues on the following priority projects:

- NYPA Potential for HVAC replacement at SC Government Center
- Hybrid Vehicles for SC Fleet
- Solar Installation at the Liberty Health and Community Services Campus
- Adult Care Center Energy Efficiency Measures

III. SULLIVAN COUNTY COMMUNITY CHOICE AGGREGATION (CCA)

The Public Service Commission (PSC) has issued its 76-page decision regarding the roll-out of Community Choice Aggregation projects across New York State. At present, the PSC has ruled that counties cannot serve as the aggregator of a project. The decision cited perceived complications resulting from the overlap of villages and towns within a county, and the historic existence of utility "franchises" with individual municipalities (villages, towns) as the rationale for this decision, as well as perceived complications that could arise because multiple utilities may serve a county and cross county boundaries.

SASD has begun conversations with the County Manager's office and with experts in the field to determine the most promising course of action for Sullivan County to develop a successful CCA that will achieve our goals in both cost reduction and the implementation of local renewable energy generation.

IV. CLIMATE SMART COMMUNITIES

Zoning for utility scale solar: We have received a number of requests from towns for assistance with zoning for large scale solar installations. As of this date, NY-Sun has not yet issued the model zoning ordinance they are developing for towns in collaboration with Pace University Land Use Law Center. We continue to make the following recommendations to towns:

- Consider a brief moratorium on large scale projects to provide sufficient time to develop zoning and permitting guidelines;
- Remain in the 15 year property tax exemption program and consider implementing a PILOT (payment in lieu of taxes) program for large scale projects.

V. NY PRIZE Micro-Grid Projects Liberty and Monticello

We await Booz Allen Hamilton's final draft feasibility study reports on Liberty and Monticello.

VI. Healthy Sullivan

SASD has reached out to the County Chairman to share ideas for incorporating sustainability principles across all sectors of the Healthy Sullivan Initiative.

VII. Presentations and Community Education

In partnership with Cornell Cooperative Extension, SASD will present a workshop on solar options for homeowners and farmers. The event is scheduled for Saturday, May 21st at CCE, from 10:00 AM to noon. Refreshments will be provided. Pre-registration is required. Call CCE at 845-292-6180 or register at sullivan@cornell.edu

Carol Roig and Stephen Stuart

5-5-16

**COMBINED: LEGISLATIVE MEMORANDUM,
CERTIFICATE OF AVAILABILITY OF FUNDS
AND RESOLUTION COVER MEMO**

To: Sullivan County Legislature

Fr: Joshua Potosek, County Manager

Re: Request for Consideration of a Resolution: Authorizing execution of hydroelectric utility remote net metering agreement w/ Gravity Renew

Date:

Purpose of Resolution: [Provide a detailed statement of what the Resolution will accomplish, as well as a justification for approval by the Sullivan County Legislature.]

Authorizes County Manager to negotiate and execute a hydroelectric remote net metering agreement between the County and Gravity Renewables, Inc. for the purchase of hydroelectric power.

Is subject of Resolution mandated? Explain:

No, ths action would reduce and stabilize County electric costs and reduce Greenhouse Gas emissions as well.

Does Resolution require expenditure of funds? Yes No

If "Yes, provide the following information:

Amount to be authorized by Resolution: \$ _____

Are funds already budgeted? Yes No

If "Yes" specify appropriation code(s): XXXX-44-4401 (Various Utility - Electric Lines)

If "No", specify proposed source of funds: _____

Estimated Cost Breakdown by Source:

County \$ _____ Grant(s) \$ _____

State \$ _____ Other \$ _____

Federal Government \$ _____ (Specify) _____

Verified by Budget Office: 

Does Resolution request Authority to Enter into a Contract? Yes No

If "Yes", provide information requested on Pages 2. If "NO", please go straight to Page 3 and acquire all pre-legislative approvals.

Request for Authority to Enter into Contract with [Gravity Renewables, Inc.] of [Boulder, CO]

Nature of Other Party to Contract: Out Of County Vendor Other:

Duration of Contract: From 06/01/2016 To 06/01/2036

Is this a renewal of a prior Contract? Yes ___ No

If "Yes" provide the following information:

Dates of prior contract(s): From _____ To _____

Amount authorized by prior contract(s): _____

Resolutions authorizing prior contracts (Resolution #s): _____

Future Renewal Options if any:

Up to 5 year contract extension, through 2041

Is Subject of Contract – i.e. – the goods and/or services Mandated? Yes ___ No

If "Yes" cite the mandate's source; describe how this contract satisfies the requirements:

If "No" provide other justification for County to enter into this Contract: [County does not have resources in-house, best source of the subject materials, required by grant, etc.]:

Reduces/stabilizes expenses while reducing greenhouse gas emissions attributable to County operations

Total Contract Cost for [year or contract period]: (If specific sum is not known state maximum potential cost): \$0.0856/kWh

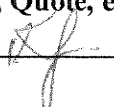
Efforts made to find Less Costly alternative:

n/a

Efforts made to share costs with another agency or governmental entity:

Procured through Municipal Electric and Gas Alliance

Specify Compliance with Procurement Procedures (Bid, Request for Proposal, Quote, etc.)

Procured through RFP issued by Municipal Electric and Gas Alliance 

Person(s) responsible for monitoring contract (Title): Research Analyst

Pre-Legislative Approvals:

- A. Director of Purchasing: *Katy Fox* Date *5/5/16*
- B. Management and Budget: *Janetmy* Date *5/6/16*
- C. Law Department: *Thomas J. Conroy* Date *5/6/16*
- D. County Manager: *Pat Wilson* Date *5/6/16*
- E. Other as Required: _____ Date _____

Vetted in _____ Committee on _____

RESOLUTION INTRODUCED BY THE AGRICULTURE AND SUSTAINABLE POLICY COMMITTEE AUTHORIZING THE EXECUTION OF A HYDROELECTRIC UTILITY REMOTE NET METERING AGREEMENT WITH GRAVITY RENEWABLES

WHEREAS, the Sullivan County Legislature continues to seek and examine various avenues for establishing savings for its operating costs; and

WHEREAS, the Sullivan County Legislature desires to substantially and cost-effectively reduce Sullivan County's (the "County") greenhouse gas emissions through a combination of energy conservation and the increasing use of renewable resources; and

WHEREAS, under New York State Public Service Law 66-j, opportunities exist to procure locally-generated renewable electricity through Remote Net Metering for Non-Residential Micro-Hydroelectric Customer-Generators ("Utility Remote Net Metering"); and

WHEREAS, as a cost-effective means of realizing the opportunities created by Public Service Law Section 66-j, the Tompkins County Legislature enacted Resolution 2013-117 that authorized renewable energy procurement on behalf of Tompkins County and, by the operation of New York State purchasing rules, other local governments in New York State, including Sullivan County, through its membership in the Municipal Electric and Gas Alliance of New York ("MEGA"); and

WHEREAS, following the issuance of a Request for Proposals and review of proposals, MEGA adopted a resolution awarding the renewable energy procurement for small hydroelectric facilities to Gravity Renewables, Inc. ("Gravity"), a corporation headquartered in Boulder, Colorado; and

WHEREAS, after discussions and exchanges of information with the County, on or about December 18, 2016, Gravity and the County entered into a non-binding hydroelectric Utility Remote Net Metering letter of intent which set forth the basic structure of a hydroelectric remote net metering agreement by which the County can realize both environmental benefits and utility cost stabilization; and

WHEREAS, the option agreement further refined the structure between the County and Gravity, including a 20-year term of the agreement, with an option to renew for an additional five years, the assignment of the environmental attributes of the generated energy to the County, and a mutually agreeable pricing structure; and

WHEREAS, the County will pay a refundable payment of \$2,500 to Gravity at the signing of the definitive agreement which shall be refunded in the event that Gravity cannot perform; and

WHEREAS, the County now desires to negotiate and enter into a formal hydroelectric remote net metering agreement with Gravity in conformance with the letter of intent that will result in a substantial portion of the County's demand for electricity being met by hydroelectric power generated at a facility in New York State and also result in a predictable cost of electrical energy that is projected to be less expensive than the cost associated with current energy sources;

NOW BE IT RESOLVED, that the County Manager is hereby authorized to negotiate and execute a hydroelectric remote net metering agreement between the County and Gravity Renewables, Inc., said agreement to be in such form as approved by the County Attorney.