

Additional Comments Received Re COG Climate Action Report As of June 24, 2008

From Chairman Gerald Connolly:

I've been thinking about how we can reduce energy consumption from our region's existing building stock, particularly single family subdivisions that aren't likely to redevelop in the near future. Councilmember Cheh's efforts to create a public utility sparked my interest in exploring the possibility of creating a regional energy saving public utility. I wonder if it would be possible to do something along these lines:

Put out a bid for a private energy performance contractor to do home energy audits and associated retrofits for a fixed number of homes across the region. The homeowners would pay the contractor directly, but would pay a lower than normal price because the contractor is benefitting from COG establishing a sort of bulk contract arrangement. Under this structure, COG would outsource energy efficiency investments, allowing returns to accrue to both homeowners and the performance contractor who makes the investments. Perhaps this could avoid the need for substantial up front public investment.

I would guess there could be other ways to provide this kind of service to homeowners in the region. At your convenience, perhaps after finalizing the CCSC's final recommendations, I would appreciate it if you could let me know about the feasibility of this sort of energy efficiency retrofit program for area homeowners.

On a legal note: County staff informed my staff that the County could not create a public utility if the utility's services were outsourced and customers paid the outsourcer rather than the public utility, so it does not appear possible for the County to avoid the up front investment associated with energy efficiency retrofits. However, staff suggested that COG, as a non-government, might have the authority to set up this private exchange of goods and services.

Staff Recommendation:

Add the following recommendation to report on page 66:

Explore the feasibility of establishing a regional energy saving public utility through COG that would establish one or more private energy performance contracts on a regional basis enabling homeowners to conduct energy audits and implement energy efficiency retrofits for a fixed number of homes across the region.

From Council Member David Snyder:

1. Overall, I support the report and its approach to set forth immediate-middle-long term goals and the specifics of how to get there.
2. Some of the science in the beginning is a bit dated. I recall that the Washington Post in the past three weeks published a story on a recent scientific report that localized the effects of global warming--droughts in the West and other results here, etc. That should be cited and used in our report.

Staff Recommendation re #2:

Staff will track down report and review and incorporate information as appropriate.

3. The reference to pay as you travel insurance should be stricken, on page 55. That is a vague and controversial concept. It would suffice to keep the sentence as is, without the parenthetical phrase at all. In other words, it would read: "Evaluate the potential greenhouse gas emission reduction benefits and costs of using financial incentives to reduce VMT."

Staff Recommendation re #3:

Revise language per Mr. Snyder's proposal.

From CCSC Chair Nancy Floreen:

Add language in the appropriate section noting that Montgomery County adopted an energy tax and carbon surtax.

Staff Recommendation:

Incorporate Montgomery County energy tax and carbon surtax information on page 42-43.