



February 2, 2018

Honorable Mayor Allison Silberberg and Members of City Council
City Hall
301 King Street
Alexandria, VA 22314

Re: Environmental Policy Commission recommendations for fiscal year 2019 budget

Dear Mayor Silberberg and Members of City Council:

On behalf of the City's Environmental Policy Commission (EPC), I am writing to provide our perspective on the fiscal year 2019 (FY2019) budget. Our recommendations reflect our commitment to the *Eco-City Charter*, adopted in 2008, and the *Environmental Action Plan 2030*, adopted in 2009. They are also consistent with the "Environmental Sustainability" theme in the FY2018-2022 Strategic Plan. Since we recognize that the City continues to face significant budgetary challenges, we appreciate the Council's steadfast support for the City's environmental priorities.

The EPC has the following FY2019 budget recommendations:

- 1. Include sufficient additional funds to increase the City's purchase of Renewable Energy Credits (RECs) such that they offset the equivalent of 100% of the greenhouse gas (GHG) emissions associated with the City's current electric consumption. To make this request in effect budget neutral, the EPC recommends accelerating energy efficiency projects planned for City facilities (e.g. LED replacements) such that the first year expected operating savings in the form of lower energy bills is equal to the incremental cost of purchasing the additional RECs.** City owned and operated buildings consume electricity from Dominion Virginia Power, which still heavily relies on fossil-based generation, such as natural gas. Purchasing RECs is a voluntary way to buy the environmental attributes of renewable electricity production that occurs, usually, in another part of the country.

Today, the City offsets emissions from the equivalent of 19% of its electricity consumption by purchasing RECs. For an additional annual investment of \$80,000-\$100,000, Alexandria can be one of the first localities in the region to offset its electricity consumption with the equivalent of 100% renewable energy. The EPC recommends REC purchasing as a temporary measure until Alexandria can make a more significant commitment to purchasing renewable energy directly, subject to our energy management budget and Virginia regulatory rules. While the City's approach to energy will be further defined in the coming year through the update of the Environmental Action Plan (EAP) and the ongoing Energy Management program, the EPC sees a move to 100% RECs as a "no regrets" action and a near-term way to differentiate Alexandria as

a climate leader among Washington-area jurisdictions. The EPC will continue to collaborate with the energy manager on these strategies.

2. **Keep the updates to the *Environmental Action Plan* and the *Green Building Policy* firmly on schedule as approved in the FY18 Interdepartmental Long Range Work Program.** Phase 1 of the EAP update began this fiscal year. Working with staff, EPC will be submitting proposed short-term targets and goals to you in June on energy, global climate change, land use and open space, solid waste, and green building. In Phase 2, planned for FY2019, we will work with City staff and the public to complete the update of the EAP, including revised short, medium, and long term targets, goals and actions for all issue areas. **The Green Building Policy update is scheduled to commence in FY2019.** Alexandria will not be able to meet its greenhouse gas emissions reduction goals without dramatic improvements in the energy performance of our built environment. We are not keeping pace with current local government best practices in guiding and incentivizing such development. **We recommend that Council commit \$75,000 for consultant support, outreach, and staff training to support the development and evaluation of new green building policy options.**
3. **Request full approval of Staff's budget request for Complete Streets to advance the implementation of the City's newly adopted Vision Zero strategy.** The EPC applauds Council for recently approving a Vision Zero action plan, which aims to keep our pedestrians and cyclists safe on our streets and sidewalks, and create a more multi-modal and thus sustainable city.

Alexandria has committed itself to significant carbon emissions reductions, both as part of the Metropolitan Washington Council of Governments and independently affirming our city's commitment to the Paris Climate Accord goals. The goals we have set for ourselves are ambitious, but they are vital for the future of our city and they will not happen if we do not have accurate information guide our decisions. Many decisions that the city makes today will still be impacting our energy use decades from now by which time we must have drastically lower emissions if we are to uphold our promises. The EPC has the following additional Budget policy recommendation for all future budgets starting with FY2020 to make sure that long-term climate impacts are appropriately considered:

1. **To give a more complete picture of Alexandria's emissions, we urge the city to annually report the carbon emissions from four entities: Alexandria City Public Schools (ACPS), AlexRenew, DASH, and Alexandria Redevelopment and Housing Authority (ARHA).** This will give a more complete picture of carbon emissions due directly to city operations and illuminate mitigation priorities for the city.
2. **For large expenditures, especially capital improvement projects and long-term investments, the projected impact on emissions and the ensuing social cost of carbon should be documented and presented in a new column in the budget that projects the emissions as well as the monetary cost of the City's actions.** We understand that not every decision is going to be decided based on emissions alone, but we hope that decisions are not made without the resulting emissions impact being known beforehand. For the social cost of carbon, \$40 per metric ton is a generally accepted value (see <https://www.edf.org/true-cost-carbon-pollution>); this can be adjusted in the future based on new information.

In closing, EPC appreciates Council's consideration of our input during this difficult budget year and your on-going support for Eco-City Alexandria.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Kapsis', is written in a cursive style.

Jim Kapsis
Chair
Alexandria Environmental Policy Commission