

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON GOVERNMENTAL OPERATIONS

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Chairperson

COUNCIL MEMBERS: David G. Greenfield
Mark Levine
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A P P E A R A N C E S (CONTINUED)

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[sound check, pause] [gavel]

CHAIRPERSON KALLOS: Good afternoon, and welcome to this hearing of the Committee on Governmental Operations. I am—I have the privilege of chairing this committee. I'm Council Member Ben Kallos, and as always, you can tweet me at benkallos. That's for members of the public who are watching live at home on the Internet stream or on Council TV. Also, for members of the media feel free to Tweet with your questions, and we have a practice of passing those along. Today we'll be discussing how the Department of Citywide Administrative Services, DCAS manages the city's energy needs and initiatives for energy efficiencies. DCAS is tasked with overseeing all energy management for city-owned and leased assets. This includes procurement, retrofitting, maintenance, training and performance tracking. Three years ago, New York City committed to cut greenhouse gas emissions 80% by 2050, colloquially known as 80 x 50. In order to reach this goal we must reduce energy use across all building sectors by an average of at least 60% from the 2005 baseline. Following an executive order in June of this year, the city is aiming to implement

prioritized subsets of the 80 x 50 plan by 2020.

This includes reducing emissions from city-owned buildings by 35% by 2025, and reducing emissions from the city fleet by 50% by 2025 and 80% by 2035.

Needless to say, this is a difficult task, and we have much to discuss today to ensure the city is on track. I want to thank members of the committee who are present including Antonio Reynoso. I also want to thank Committee Council Brad Reed, question Counsel Valqis [background comments] Naherik (sp?), Policy Analyst Elizabeth Cronk; Finance Analyst Zach Harris; and our Legislative Director Paul Westrick for their work in putting together today's hearing, and with that, I'll ask Counsel to administer the oath, and then DCAS may begin with an opening statement.

LEGAL COUNSEL: Do you affirm to tell the truth, the whole truth, and nothing but the truth in your testimony before this committee, and to respond to Council Member questions honestly?

DEPUTY COMMISSIONER FIORE: I do.
(coughs) Good afternoon, Chair Kallos, and members of the Committee. My name is Anthony Fiore and I'm Deputy Commissioner for Energy Management at the

Department of Citywide Administrative Services, DCAS and Chief Energy Management Officer for New York City. (coughs) Thank you for the opportunity to testify today regarding DCAS' Energy Management and Energy Efficiency Initiatives. As part of One City Built to Last Climate Action Plan released in September 2014, the Mayor articulated a vision for reducing citywide greenhouse gas emissions 80% by 2050 over a 2005 baseline known as 80 x 50. In addition to the citywide 80 x 50 goal, city government has tasked itself with leading by example and reducing greenhouse gas emissions from municipal buildings 35% by 2025. DCAS as the vision energy management serves as the hub for energy management for city government operations including energy procurement, building retrofits, improved operations and maintenance, training, performance tracking and management of electricity and natural gas in steam accounts, and is specifically tasked with implementing energy efficiency and long-term sustainability efforts for more than 4,000 buildings that serve 80 agencies. Through reducing energy usage, investing on on-site clean In-City Generation, and increasing the supply of low carbon energy with

government operations, DEM is working towards achieving its near-term goals and putting the city on a path toward 80 x 50. It is also important to understand the interactions both upstream and downstream that our energy initiatives have on other policy goals of the city including air quality, public health, economic growth, equity and resiliency. Our energy initiatives must work in consort with and to the greatest extent possible complement the broader goals of the city. DM's missions and goals are advancing partnership with the Mayor's Office of Climate Change Programs and Policies. A recent example is Executive Order 26, which was signed by Mayor de Blasio on June 1st, as a reaffirmation of the city's commitment to the Paris Climate Accord including limiting global temperature rise to 1.5 degrees Celsius. DM plans an instrumental role in in helping to advance Executive Order 26, and we ae working with city agencies to develop a priority queue of work that targets energy retrofit measures for the largest and least efficient buildings. DCAS has partnered with the C40 Global Climate Network to develop a planning tool to help agencies put together the list of measures they will

need to implement and achieve their carbon emission goals. Through sophisticated planning tools and strategic investments, we are working to bend the carbon curve down sooner by doing more quickly. DEM—DM looks to both demand and supply side initiatives to accomplish our greenhouse gas emissions reduction goals. I'm happy to report that as of the end of Fiscal Year 2016, greenhouse gas emissions from public buildings is down 25% from our 2006 baseline. In comparison, emission reductions from private buildings that are in the same time period is not quite 19%. The reductions in emissions from public buildings is the primary driver for overall reductions in municipal operations. The reduction of more than 557,500 metric tons in public buildings is the equivalent of removing almost 120,000 passenger vehicles from the road. This is a clear indication that the city's investments are making a difference. DEM's Energy Demand Site Programs have focused on investing in high value projects through competitive programs, and the implementation of deep energy retrofits in key city facilities stemming from energy audits and other strategic planning initiatives. DEM benchmarks the energy performance of all city

government buildings 10,000 square feet and greater each year. To enable benchmarking, DEM collects property attribute data for a portfolio of nearly 3,000 agency buildings, which include libraries, police stations firehouses, schools, colleges courthouses, hospitals, community centers and government offices. Each May, DM uploads complete building and energy usage data for the prior calendar year to the EPA Portfolio Manager web platform. In September, DM submits a finalizes report of performance metrics by building including Energy Star scores and energy use intensity to the Department of Finance and the Mayor's Office. These reports provide DEM with some of the foundational data that allows us to direct resources based on performance, and is one measure of how we are progressing. The average energy source score for 2016 for eligible city buildings is 70.8, which is a 21% improvement from the Energy Star score of 58.6 for 2010, the first year city government buildings were benchmarked under Local Law 84 of 2009. Our biggest competitive funding program, the Accelerated Conservation and Efficiency or ACE Program has awarded nearly \$432 million in capital to city agencies for building and

street lighting improvements, which are expected to yield more than \$54 million an avoided annual energy costs and approximately 142,00 metric tons of avoided greenhouse gas emissions, equivalent to the removal of 30,400 vehicles from the road. The program allows for streamlined funding of energy efficient capital projects that are identified, managed and implemented by partner agencies through their existing contracts. On the expense side, the Expenses for Conservation and Efficiency Leadership or Excel program provides city agencies competitive funding for operations and maintenance improvements, energy saving retrofits, diagnostic tools, studies and specialized training. More than \$48 million has been awarded for projects that are expected to yield almost \$13 million in avoided energy costs and approximately 34,300 metric tons of avoided greenhouse gas emissions, equivalent to removing 7,345 vehicles off the road. To improve building energy performance, and comply with Local Law 87, DEM has also completed more than 660 energy efficiency audits. By the end of the year, we will have completed all identified retro commissioning and energy conservation measures required by law in 215 buildings. We have an additional 87.2 million in

energy conservation measures underway. These projects have a projected greenhouse gas reduction of 13,654 metric tons, the equivalent of removing more than 2,900 passenger vehicles from the road. In evaluating the effectiveness of the Retro-Commissioning Program, facilities that receive retro-commissioning measures, experienced an 18% decrease in energy use from Fiscal Year 2012 to Fiscal Year 2016, as compared to a 2% citywide drop over the same period. To ensure we continue to identify the most efficient technologies, DEM engages vendors of new and underutilized technologies to test their solutions in city buildings through our Innovative Demonstrations for Energy Adaptability Program or IDEA program. IDEA provides vendors with the opportunity to demonstrate their energy saving solutions and the findings are then reviewed to best inform DEM's Clean Tech Strategy and Investments. These demonstrations help address building operational challenges and develop use cases for the private sector to spur investment and share best practices. To date, 34 technologies are being tested through the program. The Demand Response Program reduces electrical load during periods of

high stress on the electric grid. More than 23 agencies are participating in our Demand Response Program with over 400 buildings taking approximately 75 megawatts off the grid each year reducing the need for running the least efficient, most polluting electric generation. Every year we have added additional capacity to this program. We are now expanding the program to reduce the load not just during times of grid constraint, but at all times. One of the key tools to do this is the installation of real time metering. We now have real time metering installed in more than 300 buildings, and our first test case in using this information to reduce load resulted after almost a year in an energy reduction 10 percentage points better than the overall city reduction. To ensure investments are properly maintained, we have heavily advanced programs to address staffing, operations, maintenance and training. DEM has helped build capacity at targeted agencies by funding dedicated energy personnel such as energy managers and energy analysts to focus on achieve citywide goals through the implementation of energy saving projects, responding to funding opportunities, and implementing operations

and maintenance strategies. These staff members ensure that efforts are coordinated across all participating agencies, and that industry practices are being consistently employed. Currently, DEM funds 22 energy personnel at 12 partner agencies. DEM has partnered with seven agencies to develop better building operations and maintenance practices, and provides assistance in organizing associated new needs to properly manage and maintained municipal buildings. These investments in operations and maintenance personnel and other resources have helped extend the useful life of major building systems, optimize their efficiency, and ensures that each agency has the appropriate staffing to maintain a safe energy efficient and comfortable environment in city buildings. As the education of our work-
workers, students and the community is critical to achieving our greenhouse gas emissions reduction goals, DEM has invested in training programs for employees, public school students, and targeted communities. Working in partnership with City University of New York, DEM developed the Energy Management Institute, a robust training program to upscale city employees for new energy efficiency and

clean generation technologies. To date, more than 3,200 city workers have been trained across 24 distinct course offerings such as building operator certification, trade specific energy courses, and a renewable energy training class. It is not only critical to have skilled workforce capable of maintaining municipal buildings, but one that is additionally capable of utilizing the innovative technologies critical to delivering our carbon reduction goals. Beyond city staff, DEM is training the next generation of green job employees through school programs both in K through 12 and higher education. Our climate education program in public schools has provided professional development to 350 teachers to date, and an additional 375 teachers are expected to receive training this school year. This year we also kicked off a new curriculum in solar energy installation basics for vocational high school students focused on fundamentals of solar PV installations to simultaneously educate and help build our future of renewable energy workforce. In pursuit of an informed and engaged city, we are working on the cultivate-cultivation of community engagement through behavioral change campaigns such

as our public library challenge. During this program, the libraries put up signs and handed out informational material informing their customers about the efforts they were making to reduce energy in pursuit (coughs) of mitigating climate change, raising the level of community awareness. In addition, we are investing in traditionally hard to employ populations through our Rikers Island Solar Basics Training Program. Forty-one inmates have taken a two-day and inmate's (sic) training course, and more than half of those have or will take a five-day post-incarceration training course. We are working with the Fortune Society, Small Business Services, project developers and unions to connect these folks with jobs. Based on the results of this pilot, we will look at expanding the program to other hard to employ, employee populations. Career readiness, student engagement and technical training are all fundamental to climate action planning, and we intend to continue expanding these efforts as we look to achieve the city's goals. As accurate metrics are critical for understanding the impact of energy projects and programs, we have implemented measurement and verification protocols to accurately

assess the savings achieved through energy management programs. DEM has partnered with CUNY's Building Performance Lab to roll out an M&V program utilizing internationally recognized standards on selected DEM funded projects. This program provides data on equipment specific and system level efficiency gains, which can be used to calibrate our estimates of expected savings and refine our investment decisions. To assist in the effort, a training class to ensure staff understand the basic terminology and concepts of the M&V, is now offered through our Energy Management Institute. Another key part of our strategy is expanding the deployment of clean energy technologies such as solar photovoltaic, co-generation and other clean distributed energy resources across the city's portfolio. Working in partnership with the Council through Local Law 24 of 2016, we assess the solar potential of our entire portfolio of municipal roofs for buildings of 10,000 square feet. This effort in part is to support our goal to install 100 megawatts of solar by 2025 on municipal properties. Today, we have nearly 9 megawatts installed on 53 city buildings with more than 100 projects set to kick off construction in

this next year totaling an additional 29 megawatts.

Our installations currently make up about 8% of all

PV installed citywide. We are working on converting

solar into future roof replacements and new

construction projects, and we are developing solar

design guidelines with our capital construction

agencies. In looking beyond rooftops, we have our

first solar parking lot canopy projects and design

with the Department of Transportation and Parks

Department. We are also deploying energy storage

technologies to support demand charge reduction,

provide peak shaving and maximize renewables such as

solar, which will help the city meet its 100 megawatt

hour by 2020 energy storage target. As part of this

effort, we are kicking off our first five locations

for solar plus energy storage installations at

firehouses and libraries. Additionally, in close

collaboration with the Fire Department, we completed

the delivery of our first 100 kilowatt energy storage

project at Jacoby Medical Center last month. The

system is expected to be operational by the end of

the calendar year, and will provide resiliency and

peak load shaving benefits. As part of our longer

range goals, DEM continues to explore larger scale

affordable sources of renewable power for government operations. DCAS provides agencies with visibility into their energy usage in different ways. As already described, near real time display of electricity usage is a tool for direct facility management. For other purposes, we provide a whole series of monthly utility costs and usage data and charts through a web based system that also includes fact sheets and training materials. Both DEM and agency energy analysts review patterns at the agency facility and account levels. Agencies' energy usage is compared to other agencies' usage as well as the city government as a whole. At the detailed account level, we work with agencies to determine causes of unusual usage spikes and report those that seem to be potential billionaires to utility companies. This quality review approach resulted in a total of \$3.4 million in refunds to the city's heat, light and power budget in Fiscal Year 17 alone. In addition, we highlight which agencies are doing better than the citywide average. Despite the city's constant growth, DCAS investments towards emissions reductions are being realized. For example, from 2012 to 2016, there was a 25% increase in the city budget and a 10%

increase in headcount. In the same timeframe, DCAS completed 800–864 projects with a total investment of \$287 million resulting in 76,742 metric tons avoided, which represents 5% avoided emissions from our 2006 baseline. Looking back even further we have seen a decrease in energy usage despite the same heat, light and power budget. Seven percent of fiscal year–year’s energy usage is from facilities added to the city’s portfolio since 2008. Comparing 2017 to 2008 on a same store sales basis, there’s a 6.2% drop in utility energy consumption. The average emission rates and costs of this reduction is equivalent to 113,000 metric tons of avoided carbon and \$45 million in cost savings. By the end of Fiscal Year 2018, the estimated reductions for invested projects since Fiscal 2014 when OneNYC Built to Last Programs were initiated, will be 182,542 metric tons bringing us to 12% avoided emissions from our 2006 baseline. Several agencies are already on track to meet or exceed their targeted greenhouse gas emission reductions. For example, from Fiscal Year 2015 to Fiscal Year 2016 along DCAS facilities management reduced greenhouse gas emissions 12% from its portfolio lowering utility expenses by \$5.5 million

and has reduced emissions a total of 36% from the baseline. In addition, the Fashion Institute of Technology has reduced its total energy use by 43% and carbon emissions by 47% over ten years. This has saved more than \$1.7 million a year. On a portfolio wide basis, we have achieved a 25% reduction in building emission—emissions, putting us on a path to meet our 35 by 25 goal. These examples quantitatively demonstrate our impact. We're not only well on our way to achieving the city's carbon reduction mandate, but we are simultaneously improving air quality and whole health outcomes, and the quality of life for all New Yorkers. Thank you for the opportunity to testify this afternoon. I'd be happy to answer any questions you may have, and I'd like to turn it over to my colleague Keith.

CHAIRPERSON KALLOS: I want to take this moment to thank you for your testimony. I recognize we've been joined by Council Member Joe Borelli of Staten Island. Please continue.

DEPUTY COMMISSIONER KERMAN: Okay. Thank you very much. Good afternoon Chair Kallos, and members of the Committee. I am Keith Kerman, Deputy Commissioner at the Department of Citywide

Administrative Services, and the Chief Lead Office for New York City. New York City operates over 30,000 owned and leased vehicles, the largest municipal fleet in the United States. Of those, more than 12,000 or 40% are emergency service units assigned to the NYPD and FDNY. New York City maintains fleet units at 37 dedicated fleet repair facilities, and has over 400 in-house fueling locations. We utilize approximately 850 distinct locations throughout the city to park our fleet. More than 2,000 city employees work full time in fleet repair and garage dispatch operations across the ten largest fleet operating agencies. In total, more than \$900 million was spent citywide in Fiscal Year '17 on fleet related costs, including acquisitions, repair, fueling, parts, and collision claims. DCAS leads efforts to share and improve services and safety across the ten major fleet operations, which include DCAS, and also NYPD, FDNY, Correction, Sanitation, Environmental Protection, Parks, Transportation, Education and Health. In addition to these large agency fleets, more than 40 other agencies with smaller fleets were managed and serviced through DCAS. DCAS leads initiatives in

sustainability, performance reporting and emergency management. DCAS manages day-to-day services on a citywide basis, including repair, fueling, auction, part supply, care share and claims management. On a sustainability front, DCAS operates one of the largest alternative fuel fleets in the world with 18,314 total units using some type of alternative fuel including electric, solar, hybrid electric, natural gas and biodiesel.

Clean Fleet Initiatives: Through Mayor de Blasio's NYC Clean Fleet Initiative, which was announced in 2015, DCAS is working to cut greenhouse gas emissions in half by 2025 for the city fleet. As part of this effort, New York City currently operates 1,042 on-road electric vehicles with 150 more on order so far in Fiscal Year 18, and that number will go up. This is one of the largest EV fleets in the world. In 2014, there were only about 200 electric cars in the fleet. So, it's been more than a five time increase. The city also operates 630 off-road electric and solar units including carts, forklifts and sign boards. The city now operates over 422 electric chargers for fleet units, and which is the largest charging network in the state, including our

first solar carport units. In Fiscal Year 17, New York City implemented its largest ever biodiesel program with 16 million biodiesel blended gallons or 2.1 million gallon equivalents of pure biodiesel, B-100 for the city fleet. In 2018, New York City will implement a first demonstration contract for one million gallons of renewable hydrocarbon diesel fuel, called RD, which can achieve equal environmental benefits and greenhouse gas benefits as biodiesel, but without some of the equipment compatibility issues we face with high blends of biodiesel.

Through Local Law 38 of 2005, New York city procures the most fuel efficient light and medium duty units that are in the marketplace and reports annually on its fleet equivalent of the café standards, the Corporate Average Fuel Economy Standards. In Fiscal Year 17, the fleet achieved a record 83.7 miles per gallon for new light and medium duty units. Actual average fuel economy for the entire fleet has improved 28% from Fiscal Year 14 to Fiscal Year 17.

When adding in the Biodiesel Program, our use of fossil fuels has decreased 31% per mile since Fiscal Year 14. New York City is the largest fleet user of Car Share in the country through its Zip Car

Contract. New York City agencies use more than 150,000 hours of shared Zip Cars in 2016, reducing demands on city-owned fleet units. In addition, 750 city-owned fleet units are shared using Zip Car technology enabling them to be easily pooled. Fleet continues to expand the sharing initiatives, and will operate at least 1,000 shared city-owned cars by the end of 2018. As part of Local Law 41 of 2015, the city reduced the non-emergency light duty fleet by 42 units in Fiscal Year 17. In Fiscal Year 18 DCAS is implementing a larger 118-unit fleet reduction. This law covers about 2,100 light duty sedans and SUVs that are suitable for pooling, and excludes police emergency inspection and enforcement units as well as newly funded programs. DCAS recently rebid the Citywide Car and Fleet Share Contract. We expect to have a new long-term contract registered very soon in Fiscal Year 18, which will include updated and improved sharing technology. New York City is also expanding use of anti-idling technology with 202 ambulance now using Stealth electric batteries to reduce emissions, and stop idling with 120 addition units on order. Last week, DCAS and Con-Ed announced a partnership in which Con Edison will pay the city

to smart charge its electric cars at night and at off peak hours. DCAS and NYPD are also working with Ford and will look to test the first Pursuit rated Hybrid Ford Police Interceptors in 2018. In December 2015, DCAS issued an RFI for ideas and proposals to improve fleet sustainability. The response has been excellent and over 130 vendors and organizations have engaged and presented on this process to date with us. Thank you again for allowing us to testify today. We look forward to a continued dialogue with you and other members of the City Council. The Administration and the City Fleet is excited about the opportunity to work with all of you as we continue to push to make the city's fleet one of the cleanest and most sustainable possible. Thank you.

CHAIRPERSON KALLOS: I'd like to acknowledge we've been joined by Council Member Carlos Menchaca of Brooklyn. Starting off, I just wanted to get our baseline on the same page. In your testimony—in my opening you said 2,005. In your testimony, you said 2006. What is our base year as—let me—let me take three steps back. We are—I—I am doing my best to make these hearings accessible and easy to watch for people at home who may have just

channel surfed in, and want to know what's going on.

So, in a lot of what we're doing about trying to

improve our environment, we are using words like 80 x

50 where we want to reduce the amount of our

emissions by a certain percentage. However, in that

we omit what the basis is, what we're reducing from.

So, in my opening I said 2005. In your statement at

one point you said 2006. So, across everything in

both of your testimonies, is our base year for

comparison always 2005? Is it always 2006? How do

we know the base year?

DEPUTY COMMISSIONER FIORE: Thanks. So,

I'll try and clarify that. For Government

Operations, we measure from Fiscal Year 2006. For

private greenhouse gas emissions, it's from calendar

year 2005.

CHAIRPERSON KALLOS: Okay. So, for those

watching at home, when does Calendar Year 2005 start?

When does Fiscal Year 2006 start?

DEPUTY COMMISSIONER FIORE: Okay, so

Calendar Year 2005 starts on January 1st, 2005 and

Fiscal Year 2006, starts on July 1st of 2005.

CHAIRPERSON KALLOS: Okay. So the difference between those two numbers is about six months that's being omitted?

DEPUTY COMMISSIONER FIORE: Just tracked from a different starting point. Yes, that's correct.

CHAIRPERSON KALLOS: Okay. So, I guess how much are we—how much are we—Okay. So, how many of the number are we comparing on these? So, for public we use it on capital years and for private we use it's the calendar years?

DEPUTY COMMISSIONER FIORE: So, for—for private we measure by calendar year and for Government Operations, it's always measured from—from the Fiscal Year.

CHAIRPERSON KALLOS: Okay, so when you compared the performance of the city's buildings versus the private sector buildings you are comparing from January 1st of 2005 versus ours, July 1st, 2005. Okay, that is helpful. Now, the Mayor's One City Built to Last Program released in September 2014, pledged to reduce greenhouse gas emissions from city government buildings by 35% over the following ten years by 2025. The Mayor's Report 1.5 degrees Celsius aligning New York City with the Paris Climate

Agreement released in September 17 pledges that DCAS will "accelerate deep energy retrofits to achieve a 20% reduction in energy consumption in city-owned buildings by 2025. So, what is the actual target for reducing greenhouse gas emissions from city-owned buildings by 2015? Which one?

DEPUTY COMMISSIONER FIORE: The target is 35% reduction in greenhouse gas emissions by 2025. When we speak about the 20% reduction in energy consumption for buildings most of the early gains we achieved in emission reductions were the result of a cleaner electric grid. So, electric generation switching from being fueled by coal and oil to natural gas and more removals. While the state is still making progress on improving the carbon intensity of the grid with its 50 x 30 goal, we don't believe that that rate of reduction in the grid's carbon intensity will continue at the same pace. So, what we did is we said okay if we don't get any further improvements in the carbon intensity of the grid from 2016 going forward, what would we need to do on the demand side of the equation in order to meet our goals? And from that question, we derived the 20% efficiency gains.

2 CHAIRPERSON KALLOS: And that's from 2000
3 and--when--when you're talking about it in the Mayor's
4 1.5 degree Celsius we're talking about from 2005
5 Fiscal Year?

6 DEPUTY COMMISSIONER FIORE: Our baseline
7 is still measured from Fiscal Year 2006.

8 CHAIRPERSON KALLOS: Sorry, 2006. Okay.

9 DEPUTY COMMISSIONER FIORE: And--and with
10 that 20% emission reduction is from 2016, right? So,
11 that's we said at 2016, if we get no further
12 improvements in the carbon intensity on the grid, we
13 have to--we have achieve our goals all from the demand
14 side. What would it take to do that from 2016? We
15 said, okay, we'd--we'd still have to achieve a 20%
16 reduction in energy consumption in order to achieve
17 that.

18 CHAIRPERSON KALLOS: Okay, so the 20% is
19 20% versus Fiscal Year 2016?

20 DEPUTY COMMISSIONER FIORE: Correct.

21 CHAIRPERSON KALLOS: Okay, I guess one
22 of--is there a way for DCAS or even perhaps the Mayor
23 as we throw these 80 and 20 and 35% where the basis
24 keeps changing to just say we're going to reduce this
25 many pounds of greenhouse gas emissions or how--how

can we go from something where you have to figure out what the reference point is every single time, and look up which program it is, and what year the person made the statement versus actually just saying here's the goal. This is where I'm going to achieve it back?

DEPUTY COMMISSIONER FIORE: Yeah, so--so the--the best place to get down to that fundamental questions is the Annual Greenhouse Gas Inventory that--that's published each year in September. That--that gives you the--the baseline from Fiscal Year 2006 for Government Operations and the baseline for citywide from Calendar year 2005, and what target needs to--to be achieved. What--so that's--that's always the base case. What we also like to do is inform folks on where we are today, and how much further we have to go, and so that's why you see some of these other numbers. Just so you have a look, this is how far we've--we've come. This is how much further we've had--we have to go either on the demand side of the equation or on the energy supply side of the equation.

CHAIRPERSON KALLOS: Okay, and so are you currently on track for the original goal of 35%, and

the new goal of 20% on top of that? Twenty percent on—from where we were on July 1st, 2015?

DEPUTY COMMISSIONER FIORE: So, we are on track to meet the 35 by 25 goal that we—we have achieved a 25% reduction. So, we've got to get to 35%. If you look at, you know, just average that over the years that we've been working at this, it's about 2% per year. If we stayed at that same pace, we would exceed the 35% by 2025.

CHAIRPERSON KALLOS: And so, you talked about the—the energy source. So, I—when we talk about the greenhouse gas emissions, if the State of New York built a solar farm, and we get energy from that, that lowers-- If—if we build a solar farm in Buffalo, and we get our energy from Buffalo, does that lower the greenhouse gas emissions for New York City?

DEPUTY COMMISSIONER FIORE: You've asked a more complicated question than I think you know. [laughs] So, I'll try to make the answer as simple as possible. The more renewable energy in—in New York State the lower the overall carbon intensity of energy supply to New York City will be. About 50% of the energy that's consumed in New York City is from

energy that's generated in New York City. So, if a solar farm is developed in Buffalo, that doesn't change 50% of the equation, but it does change the carbon intensity of the other 50% of-of energy supply.

CHAIRPERSON KALLOS: So, we're going to— So, I—I—I guess what I'm getting at so I'll—I'll drill down a little bit further is just I—so—so, the—the other 50% doesn't come from New York City, and so do we count the greenhouse gas emissions from energy plants outside New York City towards our own greenhouse gas emissions here in New York City for our accounting purposes?

DEPUTY COMMISSIONER FIORE: Yes, we count both.

CHAIRPERSON KALLOS: Okay. So, this is one of those things where it's incredibly complicated, but as I was looking at it, I thought that's kind of interesting. When you think about greenhouse gas emissions, the—the—a person just looking at it common sense might be like oh, oh, my God, I can't believe all this energy and we have such a carbon footprint right here in the city, if we knew about all this greenhouse gases when, in fact the

greenhouse gas is from 50% of the energy isn't actually from here. So, along those lines, in Governor Cuomo's 2017 State of the State Address, he announced an agreement with Entergy to shut down Indian Point Nuclear Power Plant by April 2021, which sources 29% of electricity used by New Yorkers or over 2,000 megawatts. What are DCAS's plans to ensure that the greenhouse gas emissions do not rise as a result of shifting from a reliance on nuclear power to electricity to sources that may have a higher greenhouse gas emission such as natural gas?

DEPUTY COMMISSIONER FIORE: (coughs) A great question. So, so--

CHAIRPERSON KALLOS: I have amazing staff.

DEPUTY COMMISSIONER FIORE: [laughs] So, we do expect that in the near term greenhouse gas emissions will rise. We expect from the closure of that plant that In-City Generation may have to run more, but in our 80 x 50 Plan-in-in-in the 80 x 50 Roadmap that was published by the Mayor's Office of Sustainability, we-we looked at the supply of energy and by 2050, we didn't have any nuclear plants in that cases. So, while we do believe there is going

to be a near-term increase in emissions from that, over the long run, that—that will not factor in. Now, what--DCAS doesn't control the energy supply, but what we can do is we can work to install more clean distributed generation, and we're doing that through our Clean Energy Program with 100 megawatt solar goal, and we expect to go beyond that looking at—at parking lots, and infrastructure at wastewater treatment plants and so forth. So, I think, you know, looking—looking towards what we can do in-city in coordination with the Mayor's Office and what they're doing to promote and incentive clean and distribute generation we'll—we'll be helping to offset that.

CHAIRPERSON KALLOS: We've been joined by Council Member David Greenfield. So, just as we move further along with that so how—how many square feet of solar? How much—how many wind turbines are we looking at if we are going to replace that 2,000 megawatts of electricity, and how much will that cost?

DEPUTY COMMISSIONER FIORE: Well, we—we certainly couldn't replace the 2,000 megawatts with solar on city buildings. That is not feasible. In

our 80 x-in the 80 x 50 Plan the Mayor's Office of Sustainability released, they did look at seven-seven gigawatts of distributed solar throughout the city. That in combination with a 70% plus clean energy supply and the reductions of between 40 and 60% in the building conception, is one path to achieve 80 x 50. So, this is not a problem that is going to be solved from Government Operations alone. We-we are, you know, a 10th of the overall consumption in-in the city, but we-we are doing our part and I think as the numbers show, achieving a 25% reduction in greenhouse gas emissions from-from city buildings alone so far as compared to just under a 19% emissions reductions in private buildings we are leading by example.

CHAIRPERSON KALLOS: So, speaking of an example, Boulder, Colorado has been working towards municipal energy for the last five years and this-- has-has New York City looked into opening or operating it s own large scale generation plant bigger than carports and microgrids to actually build out-create our energy in-house. I-I know that I have a steam plant on-on Roosevelt Island that we're not even using any more.

2 DEPUTY COMMISSIONER FIORE: And so, as
3 far as—as large scale energy generation goes--

4 CHAIRPERSON KALLOS: [interposing] Also--
5 sorry to interrupt, we are also doing tidal energy on
6 Roosevelt Island where we literally have propellers
7 under water using the currents of the East River to
8 generate power as well.

9 DEPUTY COMMISSIONER FIORE: So, as far as
10 large scale energy generation by Government
11 Operations goes, what we--what we have looked at is
12 how we might utilize the water supply infrastructure
13 to--to that, and currently DEP owns and operates two
14 hydroelectric facilities on its water supply
15 infrastructure, and they are studying the--the
16 additional--another hydro electric facility on its
17 Cannonville Reservoir. We've looked at land that we
18 own and whether or not we could put solar panels on--
19 on land, and there--there are a lot of competing
20 resources for that land, and--and completing--competing
21 regulatory requirements such as preservation of a
22 land for water quality purposes and not being
23 allowing to develop some of the land. But, we
24 continue to look for those opportunities in the
25 watershed where there is more space than--than here in

the city. One-one project that we have looked at in the city is related to the Fresh Kills Landfill, and putting solar panels on-on that landfill. The city had released Request for Proposals to do that a few years back. The developer that was awarded that project when bankrupt, and so we cancelled that project, but we are in discussions on how we might be able to revive that.

CHAIRPERSON KALLOS: A gentleman named—so-so I—I preface this by not favoring one vendor over another, but a gentleman named Elon Musk Tweeted that he could build battery storage for a windfarm. I believe in Australia in 100 days recently just one bet, I believe it was either a \$50 or \$150 million bet, and I believe those batteries are actually being built right here in I believe New York State or in Nevada. I think solar ones in New York State and the battery plant perhaps is in Nevada, but regardless of the vendor, could—as we look at alternative energy and solar, which is not available in the evenings, and wind, which may not be available when it is not windy, to store that energy using battery storage and take lessons from small continents like Australia or Oceania depending on the terminology?

DEPUTY COMMISSIONER FIORE: Yes. So, I think—I think energy storage is going to be a critically important component of us achieving our targets. Energy storage allows us to expand the reach, so to speak, of variable generations such as solar and wind that allows for peak demand reductions, and it provides resiliency benefits to the insulations where it's installed. So, it-it will be a critical component. The-the permitting is still a bit difficult. There—there in—especially in places like New York City where the population is so dense there are concerns about fire hazards from the batteries, and—and the Fire Department is engaged with the Mayor's Office of Sustainability, and—and Con-Ed in research and development that Con-Ed has sponsored for different batter technologies and what the fire—what the fire suppression systems need to be in order to have safe installations.

CHAIRPERSON KALLOS: It's—it's hard to hear a—so, I—I understand the public safety concern, but if we—we both, both sides of this—this dais are the government, and we are on the Legislative side. You are on the execution side, but it's—it's hard to hear that government regulations are getting in the

way of government getting things done. Is there a timeline? Is there a directive to not let bureaucracy get in the way of progress in saving our planet?

DEPUTY COMMISSIONER FIORE: The short answer is--is yes. I mean you--the--the--there's good reason for why things are proceeding the way that they are. The date of the technology and the state of information is not such that this can be--certain battery technologies can be installed say indoors at this point, but more data needs to--to be gathered, but yes. In fact, a new Permitting Division within the Fire Department just for these sustainability type initiatives is--is being formed. New employees are--are being hired in order to staff that--that department, and that will certainly help with expediting the permitting process.

DEPUTY COMMISSIONER KERMAN: I'll also mention on the--on the fleet side, we are--our solar initiatives do involve battery storage. So, the solar carports including the one at the Municipal Building and the 35 we are rolling out in the city right now as well as our solar light towers are basically solar powered independent units that feed

into battery storage. So, you know, a solar light tower obviously mostly operates at night, but it powers during the day. So, that is battery storage. Battery storage on the fleet side is a regulatory level a little bit easier. Cars and trucks have had batteries in this manner for a long, long time and aren't connected to buildings and the same kinds of exposures, but the battery storage is part of what we're doing on the fleet side as well.

DEPUTY COMMISSIONER FIORE: And I'll just mention that, you know, our—Ms. Ellen Zalinsky our Director of Clean Energy and Innovative Technology has been strategic in trying to expedite battery storage, and as I mentioned in my testimony, we're going to be installing a bunch of batteries in firehouses so that the Fire Department gets comfortable with it.

CHAIRPERSON KALLOS: Every month Con Ed sends me my electric bill. Every month it shows me my current usage versus last year's usage. Sometimes this may lead to a conversation within the household between me and other family members about why we needed to run certain appliances more often than not. I imagine this is a frequent refrain for many New

Yorkers who may be watching at home. In your testimony you mentioned in your real time display if I wanted to know how much electricity we're using right here, right now at this hearing in the City Council, where is that display?

DEPUTY COMMISSIONER FIORE: So, for this building today that display does not exist. We are—we have just begun the installation of real time metering at our larger facilities.

CHAIRPERSON KALLOS: If I go across the street to One Center to the DCAS Office, I am sitting in the DCAS Office with—with you, is there a real time display that I can see to see how much energy at that moment?

DEPUTY COMMISSIONER FIORE: There is a real time meter for One Center Street.

CHAIRPERSON KALLOS: And is it broken down by agency and by office and by division.

DEPUTY COMMISSIONER FIORE: No, the—the meters are attached to the Con-Ed meter, and it's picking up whatever the Con Ed meter picks up.

CHAIRPERSON KALLOS: So, we—we—many elected have dealt with the issue of submetering where a building goes from having one meter for the

building to having submeters per unit, and for common spaces, and the inevitable having an outlet in one place connected to an outlet in another place, and what have you. So, is there submetering at let's just use One Center Street. So, DCAS is on what floors?

DEPUTY COMMISSIONER FIORE: I don't know all the floors that DCAS is on, but most of the floors in One Center.

CHAIRPERSON KALLOS: So, so I know that the Borough President, the Manhattan Borough President is on the 19th Floor. So, is there a submeter for the Manhattan Borough President?

DEPUTY COMMISSIONER FIORE: Yeah, so the—the Manhattan Borough President has half of the 19th floor, and so there's not a submeter for that half of the floor.

CHAIRPERSON KALLOS: Okay, so—so the Comptroller also has a floor. So, is there a submeter for the Comptroller's Office?

DEPUTY COMMISSIONER FIORE: I don't know if there's a submeter for the Comptroller's Office.

CHAIRPERSON KALLOS: Okay, so I—I guess this is a question I've been asking for four years to

PMMR and MMR hearings, which is just in the same way as Con Ed can just produce a bill for an individual person to say hey this is your electric bill. How can the Comptroller, the Borough President, DCAS or even the City Council reduce our energy usage if we don't know it?

DEPUTY COMMISSIONER FIORE: So, (coughs) there are different ways to-to do that. First, the energy equipment at One Center Street operated and maintained by DCAS Facilities Management, and so to get at the-at most of the reductions that you could achieve in that building, it would be through either the optimization of existing equipment or the installation of the new higher efficiency equipment. I think what you're talking about is the plug loads, you know, for different floors and offices. This is important and it's growing in importance each year as more and more of us have more connected devices, but overall, it's still a small component of what gains we can have. That being said, as we move through this real time metering and we start metering buildings at-at the building level and getting that information, we can then look at submetering, but without that submetering, we can also do an, and-and

this industry standard is to do calculations based on square footage, and through the--the benchmarking analysis. Part of the data that--that is asked for is equipment, how much equipment uses, you know--

CHAIRPERSON KALLOS: So, I-is DCAS planning to us submeter--submetering or other technology to provide each agency with reports by office for energy use?

DEPUTY COMMISSIONER FIORE: At this time we're restoring the buildings, and most of our buildings are single agencies. Sorry. We're going to get at--with the installation of 750 real time meters, 80% of the energy demand.

CHAIRPERSON KALLOS: And that's being installed in public schools as well?

DEPUTY COMMISSIONER FIORE: Yes.

CHAIRPERSON KALLOS: So, I-I-I [pause] I-I-I live in--I moved. I moved into a condo I'm renting from the sponsor. That's probably too much information for the public, but the building has one meter for the building and it's got thousands of people living there. I can't. If--if the--I don't even share (sic) the condominium piece, but if I did, there's no way for me as a neighbor to knock on my

other neighbor's door to be like hey, I was walking past last night, and I saw that you left your lights on for the entire long weekend while you were away. Please stop that. It's costing me money. Right, right like that—that would not be a neighborly thing to do. It might be the right thing to do, but like I'd still like to live in that building, and perhaps have people vote for me there. But how do you expect agencies to regulate one another? I see lights on at One Center Street at night that probably be on. [laughs] Let the record reflect several members of the DCAS staff have—have indicated that they're actually in their offices that late at night. But I—I guess would you agree that it can be helpful for folks to have personal responsibility by agency for their energy use?

DEPUTY COMMISSIONER FIORE: I'd absolutely agree that personal responsibility is important. I just want to put in perspective that how we're moving through this process again that we're—we have a plan to install 750 real time meters that will cover 80% of the energy demand.

CHAIRPERSON KALLOS: By when?

DEPUTY COMMISSIONER FIORE: 2022.

2 CHAIRPERSON KALLOS: And between--so 2022,
3 this administration will no longer be in office. Is
4 it possible to do it by 2021?

5 DEPUTY COMMISSIONER FIORE: I'll look at
6 that and get back to you.

7 CHAIRPERSON KALLOS: Yeah, term limits--
8 term limits are what they are, but I--I don't like any
9 goal that is past our ability to execute on it.
10 Similarly, since you'll have one--since you have meter
11 for Center Street, how is DCAS going to police the
12 Comptroller and the Public--Public Advocate, and the
13 Borough President and OPA, FISA and--and every other
14 subtenant you have in your building to make sure that
15 they are actually turning the lights on when they are
16 not in the building and everything else? Let--let me
17 just share. In--in my office we had a high electric
18 bill. We got it from Con Ed because we are in a
19 location that we leased from a building, and we
20 looked at it and we saw that the electric bill was
21 pretty damn high, and we just looked at the office
22 and realized that we were leaving our computers on at
23 night. So, it is somebody's job in the office to
24 make sure that before they leave at night, they turn
25 off every single computer, and we have generated

thousands of dollars in cost savings that has ended up in compensation for the staff. So, can we do something like that?

DEPUTY COMMISSIONER FIORE: I would like to find out more about how you get the compensation for the staff part. Maybe we could talk about that later, but- (coughs)

CHAIRPERSON KALLOS: We—we have a—the City Council gets a specific budget for each Council office, which we split between personnel services, so staff and then other than personnel services, and so we were spending more than we should on electricity, but we were able to reduce our spending by I think 20 or 30% because we have a lot of people at our office and many, many computers. I think we have 10 or 12 in the office. When you're not running 10 or 12 computers every single night and over weekends, that is a lot of money in cost savings and, and when we have the surplus in the other than personnel services, we transfer it over to personnel services.

DEPUTY COMMISSIONER FIORE: So, so your—your question is—is extremely right with the conversations that I'm having with my own staff, and I will say this as a concern that staff members

brought to me and we are meeting with our Chief Information Officer to better understand what technologies can help automate that. We do understand that now there—the computers do go into sleep mode at night. They don't turn off completely from what I'm told because there are updates that continuously run at night to make sure that the computes have the most—the latest anti-virus software and other information, but that the sleep mode is actually comparable to actually shutting the computers down. The monitors is—is another thing, and—and—and trying to find out if there are technologies that can automate that process. But we—we are beginning those conversations not only with our Chief Information Officer, but with—with DOITT as well.

CHAIRPERSON KALLOS: With—with judging by some of the non-verbals from the audience [laughs] who are perhaps also staff at your agency as well as just as a—as a technology person, I—I will respectfully disagree with the concept that the—the sleep mode is first that the computers can't be turned off for evening updates. I think that DCAS can work with DOITT and DOITT can work with the

different agencies to just say that there is a specific time or date that computers do need to be left on so that they can be updated while people aren't there, but it doesn't need to be every night. Also, that the computers update themselves is actually a horrible idea. There's—I'm not going to go into computer stuff, but you should not leave your computers on at night. That is a horrible waste of energy. I guess one thing is that I just also want to disagree about the energy usage as—in terms of scope. So the largest part of the DCAS Budget is? Do you know?

DEPUTY COMMISSIONER FIORE: Heat, light and power I imagine.

CHAIRPERSON KALLOS: Heat, light and power at several trillion dollars, and that's for the 80 agencies in your portfolio. So, do you know what the total megawattage used monthly by DCAS Managed Properties is?

DEPUTY COMMISSIONER FIORE: I don't have that number.

CHAIRPERSON KALLOS: If you can share that with us. Does DCAS—and I think we went into this, but does DCAS actually have authority to

require agencies to use specific energy efficient solutions in order to reach its 35% emissions reduction goal?

DEPUTY COMMISSIONER FIORE: So, DCAS is a resource and oversight agency. So, we are there to provide the resources for each of our partner agencies to meet their—their goals, and then we also report on progress that we're making portfolio wide to the Mayor's Office. So, we serve both as—as a resource and an oversight agency.

CHAIRPERSON KALLOS: Would you agree that setback timers are a good way to reduce energy usage?

DEPUTY COMMISSIONER FIORE: Setback timers for what?

CHAIRPERSON KALLOS: For—for heat, light and power, but mainly heat and light.

DEPUTY COMMISSIONER FIORE: So, optimizing set points for both turning equipment on and off is actually—we're right there.

CHAIRPERSON KALLOS: Does DCAS have the authority to walk into all of the DCAS managed properties and put in setback timers and work with folks to say hey listen our default is that if you're not in the building, we're lowering the temperature

in your building to 50 degrees to make sure the pipes don't freeze and if the first person gets in at 9:00 a.m., we're going to have the building start heating itself at 8:00 a.m. to hit the optimal temperature by 9:00 a.m., stay constantly cooled and at 5:00 p.m. or 7:00 p.m. whatever the last time you had people in the hours our default is going to be 7:00 p.m. it-it starts degrading back down to 50. Are you--do you have the authority to do that?

DEPUTY COMMISSIONER FIORE: That is being done. I-I can tell you that in our own offices when we're there and the lights are on at night, it's rather uncomfortable, but we're there, and so it is being done.

CHAIRPERSON KALLOS: So--so you do have the authority to do it?

DEPUTY COMMISSIONER FIORE: Yes.

CHAIRPERSON KALLOS: Great, and--and so hopefully you do have like panels where folks can override and say like wait, there's--there's humans here please don't freeze us. Can--can we do it in a way so that our city employees aren't suffering, and I don't want you to be cold to save energy. I don't want you to have to wear a shawl or a sweater. I

just wanted to have a default so that you can change the default.

DEPUTY COMMISSIONER FIORE: Yeah, now I can get into the technical of HVAC systems and time control temperature in buildings. It seems like it's more complicated than rocket science because it's never gotten quite right, but it's not—it's not—generally speaking, there are not panels that any one person could go and adjust the controls, and that's for—for good reason that one person thinks it's too cold, another person thinks it's too hot, and we go up and down and up and down. There are building engineers that have access to those, and when they're available we can call on them to adjust the temperature.

CHAIRPERSON KALLOS: Speaking of which it's actually a little hot in here. Believe it or not, in order for us to change the temperature in this room, I believe we need to call you. So, I—I would like the City Council at least to be able to do so. Maybe that's just the Chambers that we have to do that, but there is that. Along those lines, we just talked about setbacks, we talked about grid, we talked about a lot of things. How are you

prioritizing which projects you're pursuing, assuming you can't do everything at once?

DEPUTY COMMISSIONER FIORE: So, (coughs) I think the short answer is we look at greenhouse gas emissions from buildings. We look at energy use intensity. Those are our two metrics that are used to focus our resources. Traditionally, you know, we've-we've has two different competitive grant programs, one on the capital side and one on the expense side, and so agencies apply to DCAS. We look at those metrics along with other metrics like pay back periods, and use those to make decisions on-on investments. Now, I will tell you with--

CHAIRPERSON KALLOS: [interposing] So, let me-let me just rewind for a second because- So, we-we-that question was submitted through Twitter to us by the Central Labor Council, but we also wanted-I just want to develop it. So, on page 9, 1.5 degree Celsius aligning New York City with the Paris Climate Agreements report, the City Committed to accelerating the pace of deep energy retrofits through its portfolio to Chief Citywide Climate Goals. In 2015, the City committed \$2.7 billion to retrofit city-owned buildings. In order to accelerate the pace of

retrofits, the city will "launch a new program to prioritize buildings across agencies in which to implement a range of energy conservation measures at scale." End of quote. So, beyond the--the grant program you're speaking of?

DEPUTY COMMISSIONER FIORE: Thank you for the set up. That's just about where I was going--going to go.

CHAIRPERSON KALLOS: Yes.

DEPUTY COMMISSIONER FIORE: So, so, we are starting a new program where we've leveraged the--the work that--the technical working group that was put together by the Mayor's Office of Sustainability did to look at what energy efficiency measures are most effective in different types of buildings, and using that information, and information that we've gathered through our programs in coordination with the Mayor's Office of Sustainability, we have developed a list of energy conservation measures that should be implemented. Those energy conservation measures fall into two broad categories. First, those measures that there's enough data on that we know just makes sense to do like putting in LED lights and changing and fixing the steam tracks, and

other measures that wouldn't typically be funded through our Competitive Grant Program because of-of poor metrics like payback and-and those are things that have to do with building envelopes. We know that they are foundational conservation measures that need to be undertaken in order to achieve the carbon reductions that we're mandated to-to make, and so the energy conservation measures fall into those two broad categories. We put out requests for information to all our partner agencies saying which of your buildings do these measures need to be done in? We've gotten those responses back. We are reviewing those responses, but we've so far have-have requests for energy conservation measures in over 2,500 buildings. What we will do now is go out and scope those projects, and cost estimate them, and then work with our agency partners to aggregate the projects and prioritize them across the portfolio so that we can do projects across agencies. So, it's not-it's not just doing a lighting project in a firehouse, and maybe doing a lighting project in the hospital. It's saying okay if it's a lighting project across all agencies, what buildings do this-

these need to be done in or aggregate those, and implement them across the agencies.

CHAIRPERSON KALLOS: I have so many questions on this. So, the first piece you mentioned that you're doing this kind of as an expression of interest. Does DCAS have a list of all the properties you manage?

DEPUTY COMMISSIONER FIORE: Yes.

CHAIRPERSON KALLOS: Are you comparing the property—the agency responses to those—are you comparing the responses to make sure that the agencies are actually giving you the full list of their properties and properly accounting for all of their properties and then taking proactive steps with agencies that did not reply so that the entire universe of your properties are actually being accounted for?

DEPUTY COMMISSIONER FIORE: Yes, we actually sent pre-populated lists to the agencies. So, we sent that out and then, you know, we don't have insight into for example agencies' capital plans. So, we needed to make sure that, you know, something wasn't done in that building that we don't know about or is it not going to be done next year

that would, you know, negate the need to do a certain measure, and so, we pre-populate that list. We sent it out. We asked them to vet it and add anything additional that they may not have had.

CHAIRPERSON KALLOS: You—you had me at pre-populated. You can do me a favor and make sure the Mayor's Office knows that you're doing this. I'm working on a bill called Introduction 855, which seeks to send Human Service Benefits Applications to people pre-populated, and if you could put in a good word with the Mayor that handing somebody a pre-populated document is a lot easier than asking somebody to fill out that document from scratch. Sorry for that sidebar. I—you—you—I appreciate the—the honesty and transparency and straightforwardness. I am concerned by the—by your sharing that you're not necessarily sure of all the capital programs happening at the different agencies. So, we've put \$2.7 billion at DCAS to do the retrofits based on what you're sharing. I'm concerned that there's other money that's being used for retrofit in a way that may not actually be coordinated, and so if you can help me with that concern.

DEPUTY COMMISSIONER FIORE: Sure. We coordinate closely with all of our partner agencies. We hold quarterly meetings with every agency. We go over what our view of their energy use and emission trends look like. We look at the status of projects that—that they are doing and then we kind of workshop what—what things can be funded in the future anything from training to personnel to additional energy efficiency projects to data acquisition. Whatever may be helpful in reducing that agency's emissions further. So, we are very closely coordinated with on that. What—what we don't have perfect insight into today is capital plans by agencies to do something totally unrelated to—to energies. What—what we then do is say, okay, if that project comes into say TBC for a capital construction project, we work with DDC's upfront planning unit to identify if there are energy components to that project, and we capture it that way. The other thing that we are doing now with \$1.5 is we've asked every agency to review their Capital Plan, and-and tell us where that puts them on a trajectory towards meeting the greenhouse gas emission reduction goals, and if it's going up, what

projects can we do to reverse that trend and push it down?

CHAIRPERSON KALLOS: You're sharing a lot of collaboration with the agencies. I oversee agencies with like ten people in them like the Task Commission I think it's like 25 people. I imagine they don't actually have the expertise that you do. Wouldn't it be a better approach if DCAS had energy liaisons that were working with the different agencies and counseling them and supporting them and doing the work for and with them so that we're not asking in this case a bunch of accountants to try to reduce energy at an agency that admittedly deals with billions of dollars in tax appeals every year?

DEPUTY COMMISSIONER FIORE: So, we absolutely do provide energy professional services to agencies, and we also fund energy professionals that are embedded in agencies, and--

CHAIRPERSON KALLOS: [interposing] You mean those are city employees or consultants?

DEPUTY COMMISSIONER FIORE: Those are city employees.

CHAIRPERSON KALLOS: How--who is the liaison for the City Council?

2 DEPUTY COMMISSIONER FIORE: I don't
3 believe we have a liaison for the City Council.
4 What--what I was about to say is--

5 CHAIRPERSON KALLOS: [interposing] Yes.

6 DEPUTY COMMISSIONER FIORE: --where
7 those--where we funded positions so far are in the
8 largest agencies where the most energy is being
9 consumed, and where the most emissions are because it
10 takes a lot of work to try to reduce that. So, we
11 start with the largest energy consuming agencies and--
12 and admitting agencies and put personnel there. For
13 smaller agencies, again we can provide professional
14 services for those--those agencies as well.

15 CHAIRPERSON KALLOS: So, I--I have a small
16 agency with I think 500 employees, and \$100 million
17 budget I believe with the City Council. How--how--how
18 can we--has DCAS reached out to the City Council about
19 our own energy efficiency?

20 DEPUTY COMMISSIONER FIORE: We'll be
21 happy to work with you on that.

22 CHAIRPERSON KALLOS: Fair enough, but I
23 guess the question is in a leave no stone unturned
24 has--is DCAS working with the borough presidents, with
25 the Comptroller? Are you working with NYCHA? What

will--will you produce? Would--would you share a list of those that you are working with and those you are not yet working with so that we can get a better sense of the scale because I'm concerned that a proportion of our--a large portion of our City Government may be excluded just by virtue of how they're being classified.

DEPUTY COMMISSIONER FIORE: We can certainly share a list with you. I want to try to assuage your concerns I mean that we are--we know what agencies use how much energy. We know the emissions, and we are going after the bulk of that so--

CHAIRPERSON KALLOS: I--I doubt it. In terms of a lot of the information you're sharing, talking about that you have, I think it's incredibly interesting, and I know that viewers at home do, too. In terms of the real time displays, is it possible to make that a public facing item so if I just want to click and look at like how much energy is One Center Street using right now so I can just pull it up as as--as a resident who's paying taxes, who's paying that tax bill, and can those real time displays be public facing so both the people at the agencies can see it, and anyone can?

DEPUTY COMMISSIONER FIORE: We're working with your colleagues on the Council now on a real time metering reporting bill.

CHAIRPERSON KALLOS: Great. Similarly, you were talking about what sounds like a massive undertaking in terms of priorities—prioritizing part of 1.5 and others. Would you share that document as it starts with the request, with the analysis, the auditing, the scoping as we can go each step of the way, and have an idea watching it happened. So, sorry. Let me take three steps back again. There is a model of government, which is called waterfall where you start with a goal, and then five to ten years later either your goal has been achieved or you have failed, and that's—it's how they build bridges because you can't really test the bridge in between starting and finishing. There's another management tool that I subscribe to called Agile where you actually include your stakeholders. In this case, either the Council or the general public in each step. So, they're included in the list making for futures and scoping, and—and design and—and contracting. You keep your client informed every step of the way, and maybe versus that five or ten—

year plan you may not hit the full threshold of success. Maybe you get to 90% or 80%, but there's usually a higher satisfaction level. So, our—in terms of as you're creating this and evaluating and prioritizing, are you doing so in a waterfall method or an agile method? Will you share with the public and the—the Council and the public, and this is something that was also earmarked by—a Tweet we received through the Central Labor Council about just where you are in the process, what's being prioritized, where and so forth.

DEPUTY COMMISSIONER FIORE: So, I would say we're pretty much working under the agile approach with our partner agencies. We matched up with them every way, and I think that there's a way that we can share information with the Council, and the general public that—that would make sense. So, let us take that back and—and think about exactly what that would look like.

CHAIRPERSON KALLOS: I appreciate it. I—my—my—I might be on the record but I'll say it anyway. Anything I can do to work with an agency to make something public voluntarily versus another reporting bill is a good thing. [laughs] So, I

1 appreciate your partnership on that. We'll see if
2 anyone is—we'll see it back after we Tweet it. So,
3 along these lines you're—you're talking about an
4 enormous amount of work, \$2.7 billion. Who is going
5 to be doing that work? Is it going to be city
6 employees? Are those city employees going to be
7 civil servants? Are they going to be provisionals?
8 Are they going to be consultants? If it's
9 consultants, will there be labor standards? How—how—
10 how are we going to—how are we spending this money,
11 and who's going to get paid to do that work?

13 DEPUTY COMMISSIONER FIORE: This is an
14 all hands on deck approach. Everybody is going to be
15 part of that equation in order to be able to achieve
16 this. There—where city workers have the skills and—
17 and we have the capacity, city workers will be doing
18 it, but we certainly couldn't do that all with city
19 workers, and so yes private contractors will be part
20 of that equation as well, and absolutely labor
21 standards will be part of the—that—that—those
22 contracts.

23 CHAIRPERSON KALLOS: Will DCAS commit to
24 training city employees that may not yet have the
25 skillset necessary to do some of the work who earned

the appropriate titles to do some of the new green energy building work?

DEPUTY COMMISSIONER FIORE: Yeah, as I mentioned in my testimony, we—we've developed an Energy Management Institute. We have tens of dozens of—of courses that we offer to city employees from—from every trade that there is to more energy management professionals. We will continue to offer those trainings. We can't mandate folks to take trainings. I mean that would be something that would be negotiated through labor management agreements. I don't think that's a real problem. We've had—we've had very good participation in the programs, and—and many people they—they want to learn this stuff.

CHAIRPERSON KALLOS: We have a number of goals that need to be done by 2021, 2222, 2225 and—and so on. Do you anticipate that in 2025 we will be done with the energy retrofits of every single building and that there will be no more progress to be made, and that we won't have further need to do the work any more?

DEPUTY COMMISSIONER FIORE: That would be a resounding no.

CHAIRPERSON KALLOS: So, I guess along those lines, so, when you have to make a decision between hiring an employee versus using a contractor, generally you might use a-a contract for something that is short-term. When you have something that may take 5, 10-10 years isn't long enough to actually invest in-invest into our pension system or actually entire career. So, I guess what is-what would be the justification for using-in terms as you're saying all hands on deck, what would be the justification for using any-any consultants when we could actually just grow our public sector workforce to do this work, do it in house, pay these folks a-a living wage with-with benefits and whatnot and-and versus hiring consultants, and contractors to do work that we hopefully can do in house?

DEPUTY COMMISSIONER FIORE: So, you know, it-what I would say is-it's-it's not static, right. So, what we are training city workers for today technology changes over time, and I think we will always be in a state where there-there are things that we have to train our city workers for in the future, and so I think we will always have the need for-for both, you know, some very specialized

skillsets that are at the leading edge of technological changes. As we then I guess increase scale of those devices and technologies in our building systems that we then would have the-the need and capacity to in-house that.

CHAIRPERSON KALLOS: How many-in terms of for consultants and contractors, will there be any buildings stand-wage standards, benefit standards, training standards for those workers?

DEPUTY COMMISSIONER FIORE: Yes,

CHAIRPERSON KALLOS: And if we retain a contractor, a general contractor, so hold on let's get a little out of the weeds for a second. So, sometimes you hire somebody to do something and that person doesn't actually end up doing the work. They hire other people to do it, but sometimes those people might hire somebody else, and in so doing you may have hired some person, but you end up with--five other people actually end up doing the work, and so you have general contractors, subcontractors, subs of subs, subs. Is DCAS ensuring that the labor standards that you're setting for your workers and their training and living wages is permeating all the

way down to every single working who is touching the project or what steps are you taking to ensure that?

DEPUTY COMMISSIONER FIORE: We're abiding by the procurement rules and laws of-of the city, and so I'm not an expert in that, and I can't speak to does it touch every single person in exactly the same way, but we, you know, we-we're following all legal and regulatory requirements in terms of our procurement, and contracting.

CHAIRPERSON KALLOS: If-if-would-would you agree with the value that if we're spending city dollars on something that people should be getting a living-that-that all the folks who are on the project should be treated by the same labor standards as the initial part of that we're contracting with?

DEPUTY COMMISSIONER FIORE: Again, this is not my area of expertise so I-I don't think that, you know, I can comment informatively.

CHAIRPERSON KALLOS: Would-would DCAS be willing to sit with myself as well as our representatives for some of our public sector and private sector workers who are in this space to work with us to ensure that nobody is getting left out and getting paid less than they should be not even

perhaps getting their own wage, being subject to wage theft, being subject to being on a job site where they could get injured without health insurance or disability insurance sometimes even without some of the other no fault type of insurances that will-- sorry, workers compensation insurance?

DEPUTY COMMISSIONER FIORE: We'd be happy to sit with you and representatives to speak about that.

CHAIRPERSON KALLOS: Thank you. I have some other questions I'd like to run through. So, this is one that we--we hope to be joined by my partner in all of this and perhaps one of our leaders in the Council. I think you may already know who I'm referring to, Costa Constantinides. So, the largest--we--we were talking about heat, light and power and so the specific question is what small construction investments has DCAS instituted in its office space index to maximize energy efficiency and specifically as a follow-up initiatives related to heat loss from building envelopes?

DEPUTY COMMISSIONER FIORE: So, I'm going to go back to the new program that I described earlier and that one of the categories of projects

that we'll be looking to fund under that new program is specifically related to built-in envelope type work. We-we know that that that's foundational to being able to achieve the carbon reduction targets that are set out for us to achieve, and they've not typically met, you know, some of the financial metrics that have guided our competitive grant funded programs, but they will be part of-of this type of-this solicitation.

CHAIRPERSON KALLOS: My committee staff is great and they have a question I've always scratched my head and wondered myself: How do you determine whether a roof should be used for a solar installation rather than a green roof or some other environmental solution. A follow up is: Can you store solar installations with storm water collection or absorption systems, and whether or not those systems are-can be done in a-with-with plants or another organic material.

DEPUTY COMMISSIONER FIORE: So, look I think there's a lot of criteria that would have to be looked at to understand what the greatest public good is for any particular roof. I mean I think in areas where there are significant combined sewer overflow

issues that having blue roofs is—is a good idea. I think—I think probably blue roofs and—and solar installations can be compatible with one another. I think in terms of a green roof versus a—a solar roof again, I think there is a lot of criteria that would have to be evaluated., but you can get—you can get, you know, the—the water sequestration benefit that you're looking for with a blue roof rather than having a green roof. Now, you won't get the same insulating properties that a green roof provides to—to that building. So, you know, the—the short answer is you really need to look at the specific concerns of where a building is situated and figure out what the best public benefit is for them.

CHAIRPERSON KALLOS: So, I think we're on the—we're headed towards the same place on that. So, like does DCAS currently or would DCAS consider doing an analysis that compares the green roofs we have, how much water the roofs divert and the water sequestration and how much it would have cost for the water treatment system to process it versus the cost of not having it there, and the cost savings by having solar there instead of the energy savings that we get from generating that, and trying to compare

that, and then I guess can we create a transparent method of doing a cost benefit analysis around that?

DEPUTY COMMISSIONER FIORE: So, I think DEP may have done a lot of what you're asking and--and really that would fall within their expertise to--to do. We've through Local Law 24 surveyed all of the city building roofs over 10,000 square feet for solar readiness, and--and there's a report out on that. We have that list of--of buildings and we are moving through that to install solar on those buildings, and I think you know, they're--we will come across, you know, you know, a few of those buildings that may be have a competing need with, for example, a blue roof. And I think in those instances, we will be working closely with our partner DEP to figure out can we do both, and if--if we can't do both, what the best answer is.

CHAIRPERSON KALLOS: Would you share the information that you've received from DEP?

DEPUTY COMMISSIONER FIORE: Yes. If we--if we come across roofs we're looking at that for competing resources, absolutely.

CHAIRPERSON KALLOS: Along those same lines, ever since we started participatory budgeting,

every school in my district wants a green roof, or they want a— My schools don't have gyms. We barely have playgrounds. When we do have—even the playgrounds we have are insufficient. We often even have to resort to just closing down a street to use as a place—play street. So, we're desperate for space, and we've been using our roofs not for solar, not for blue roofs, but we're actually just trying to convert them into play spaces for children to run rampant on a roof. How do we—how do we weight those competing interests because I—I guess one of my concerns is I think I've funded four, five or six of these and perhaps we're not doing our fair share. How do you weigh giving kids a place to actually breathe fresh air versus a competing use for a blue, green or solar?

DEPUTY COMMISSIONER FIORE: Well, I think—I think, as I said in the first part of my testimony, you know, the projects that we do have both upstream and downstream effects right, and you asked about that, and this is another example of—of that, and so we need to find ways that they complement each other to the greatest extent possible. I—I think you know, as costs for solar

panel installations continue to drop, maybe there's— maybe there's a way to install solar canopies above the play area on the roofs. So, you know, we've got to —we've got to look at ways that we can complement more than one initiative because I certainly wouldn't want to put a solar panel installation on a school roof and take that away from kids being able to exercise and—and get outdoors.

CHAIRPERSON KALLOS: In the Mayor's 1-1/2 Degree Celsius aligning New York city with the Paris Climate Report, the city committed to ultimately procure 100% renewable electricity for city operations. I am excited. When is this happening?

DEPUTY COMMISSIONER FIORE: And the short answer is I don't know when it's happening. We—we are and have been looking at this very closely. We've been in discussions with a number of developers. We've got to find an economical way to do this. We have partnered with the New York Power Authority. They released a Request for Proposals for large scale renewable projects on—on behalf of all of their customers, and the city being their largest customer, we—we worked very closely with them on that solicitation. Those—those responses are in now.

Mike is going through the up process of evaluating the projects and then coming to us to provide recommendations, and so it may be that we get some or all of that through that solicitation or it may be the beginning of that.

CHAIRPERSON KALLOS: Would you ask the Mayor when he—you made this announcement so could—could—could the Mayor or could DCAS enlighten us on the goal, whether it upsets me by being after 2021, in which case I'm concerned that that's setting a goal for somebody else, but if we can have at least a goal so that we can hold somebody accountable for this accounting by the Paris Agreement.

DEPUTY COMMISSIONER FIORE: Yeah, I—I think the trick here is that—that we do this in a fiscally responsible way, right, and I—I think also again in understanding, you know, is it enough to go out and, you know, buy renewable energy credits from an energy project say a wind farm in Upstate New York? And if—if the—if the problem that we're trying to solve is—is climate change alone, then the answer is probably yes. But if we're looking to try to do more than that, maybe if we're looking to try to improve local air quality, and public health

outcomes, that solution doesn't solve that problem, and so we are now looking at different solutions that solve different problems, and at this point not ready to put a timeline around that, but we are working very hard at trying to find the right solution.

CHAIRPERSON KALLOS: Okay. I promise I'm going to get to fleet. I'm just going to try to start moving a lot more quickly. So, for folks at home and in the audience, I have a very valuable product here. This is a copy of the Mayor's Management Report. It is second only--Sorry, I would put it--it is a budget document so it is--the budget is perhaps the second most important document the city produces. The most important newspaper in the city of New York is--? [background comments, pause] I--I--

DEPUTY COMMISSIONER FIORE: I'm going to let you answer your question.

CHAIRPERSON KALLOS: The answer is the City Record, which is published by?

DEPUTY COMMISSIONER FIORE: DCAS.

CHAIRPERSON KALLOS: [laughter] And that's because it tells you everything about what the government is doing and, of course, I'm going to take

pride in our local paper, but—so the Mayor's Management Report comes out every year. There's only 41 copies in existence. We're hoping to have more, but you can view it at nyc.gov/mmr. You can watch monthly updates at the nyc.gov/cpr. So, in the MMR, and I believe you have a copy of the DCAS section. For those following at home, that's page 331. You can download it again at NYC.gov/mmr. There's a dropdown where you can select the Department of Citywide Administrative Services, DCAS. Why were there no solar panels installed in Fiscal Year 2017?

DEPUTY COMMISSIONER FIORE: We—we took a pause in going out for new procurements. We've—we've had some advocates ask us to look at including project labor agreements in our Power Purchase Agreements, and so what we—we committed to is not going out with another solicitation until we do a study that looks at doing just that, incorporating project labor agreements into power purchase agreements. It's not required by law, but we—we did make that—that agreement and we are in the process of having that study completed now.

CHAIRPERSON KALLOS: So, from the MMR, quote: "Project for over 100 new rooftop solar

installations are expected to be initiated for Fiscal Year 18." End of quote. Doe DCAS anticipate the same barriers will impact solar installations in Fiscal Year 18?

DEPUTY COMMISSIONER FIORE: So, we have an existing contract awarded before we took that pause. The projects that are mentioned there are part of that previous solicitation, and that--that is for 88 different sites for approximately 30 megawatts of solar that we expect to completed by the end of 2019.

CHAIRPERSON KALLOS: [pause] And I--along those same lines, are you planning to increase the amount of solar to make up for not having done any in 20--Fiscal Year 2017?

DEPUTY COMMISSIONER FIORE: We have a very aggressive goal to reach, and that's the 100 megawatt goal, and what--we plan on achieving that goal. So, as soon as we resolve the policy question of including project labor agreements in power purchase agreements, we are ready to move forward. We have also in the interim looked to get a contract with the National Renewable Energy Laboratory, and so

that they can help us strategize about deployments as well as best management practices in contracting.

CHAIRPERSON KALLOS: I think folks at home and some in the audience are starting to realize just how bit a nerd I might be, but I—I-everyday I'm reading news. The news that I tend to read tells me about new breakthroughs in solar technology efficiencies. How efficient is the solar power the city is generating? Are we using technology from five years ago, two years ago, whenever we procured it? Are we using whatever state of the art just came out that they figured out in a university?

DEPUTY COMMISSIONER FIORE: So, we're not employing state-of-the-art technology that's at, you know, bench and lab scale at this point unless we're doing something through our Idea Program. But I think yes, you know, we have a—we have different vintages of solar panel efficiencies that are installed, but I, you know—

CHAIRPERSON KALLOS: Vintage is a bad word to use. [laughter]

DEPUTY COMMISSIONER FIORE: But, you know, there—the—the efficiency of solar panels hasn't dramatically increased in the last few years, and so

I think we're—we're not—we don't have any panels installed that, you know, are very much lower than what today's efficiency standards are.

CHAIRPERSON KALLOS: Are you able to produce a list of the locations where they're installed and what—what generation solar we're looking at, and what their efficiency rating is?

DEPUTY COMMISSIONER FIORE: Absolutely.

CHAIRPERSON KALLOS: Okay. Still in the MMR why is the 80—let's take a step back. So, the Mayor's Management Report is this great document. It's over 400 pages long, and there's some sections that are just devoted to an agency like Department of Citywide Administrative Services, which admittedly has not done justice with how big an agency you are, with a couple you get. But there's some sections, which kind of relate to a lot of the work you've been talking about today because almost every single one of your answers has said: DCAS is doing this, but we're doing it with another agency. And so, for multi-agency programs there's a section in the MMR. It's actually the—the front section as it were, and I guess the question is why isn't a lot of the work that you're doing 80 x 50 Plan not included in the

2 Mayor's Management Report under this year's
3 collaborating-Collaborating to Deliver Results
4 Section?

5 DEPUTY COMMISSIONER FIORE: I'm not
6 familiar with that section of the MMR but--

7 CHAIRPERSON KALLOS: It's in the front.

8 DEPUTY COMMISSIONER FIORE: [laughs]
9 Thank you. I-I usually skip right to DCAS, but--

10 CHAIRPERSON KALLOS: Admittedly, me, too,
11 sometimes.

12 DEPUTY COMMISSIONER FIORE: [laughs] So,
13 I'm happy to take that back and talk with the
14 Operations.

15 CHAIRPERSON KALLOS: Okay, under the DCAS
16 section, which both of us admittedly skipped to, DCAS
17 has two service sections, five to manage energy use
18 by city agencies and six to manage the city fleet and
19 fuel resources, and--and Deputy Commissioner Keith
20 Kerman, I-I promised I would get to you. I'm sorry
21 it took so long. So, under Goal 5-A, the indicator
22 for electricity purchased, the actuals and targets
23 are flat over time, but the desired direction is
24 down. What is DCAS doing to actively decrease the
25 level of purchased electricity?

DEPUTY COMMISSIONER FIORE: I think everything that I've described over the past hour plus are those things that—that we are doing and, you know, it's—as I mentioned before, things—things are—are not static, right, and so we've—we've—we have the numbers that show there have been decreases in emissions from our buildings and those are primarily related to reductions in energy usage. But that's also in the face of—of growth, and so since 2012 through 2016, we've a 25% growth in—in the city budget. We've had a 10% gross growth in headcount. And so that—that's because we're providing more services, things that you've discussed earlier in terms of more school education program, you know, better streets, more schools, air conditioning in every classroom, things of—of that nature. So, more services are being provided. So, but for our investments, this would not be flat, and would be going up. That said, we've got a lot more to do.

CHAIRPERSON KALLOS: Under Goal 5-B for the indicator annual estimated reduction in greenhouse gas emissions from all energy projects, the Fiscal Year 17 target was a full 39,000 metric tons lower than the actual reduction in greenhouse

gas emissions from energy projects. What made the target an actual, so wildly different and how does this difference inform how DCAS sets its targets moving forward?

DEPUTY COMMISSIONER FIORE: You know, so a lot of this is—is a result of timing. At the time when we publish these—these estimates, we don't have a lot of information that we get later on. For example, we don't know through our Competitive Grant Programs, how many projects agencies are going to submit and historically that's been the bulk of our programs. I think going forward with—with our new program where we've gone out and said, you know, for these types of energy efficiency measures what agencies and what buildings do they need to be implemented in, we will be an additional queue of work, that will help, but again is not the whole story. So, it's really the result of—of timing.

[pause]

CHAIRPERSON KALLOS: We're going to dig in on that in a second. Go find under Go Find Fee, the Annual Energy Retrofit/Conservation Programs projects completed, DCAS has no targets listed for Fiscal Year 17 or Fiscal Year 18. Does DCAS have a

list of retrofit projects? Can these be included in the MMR, and actually summarized as a target?

DEPUTY COMMISSIONER FIORE: You know, this goes back to my previous answers. It's a matter of timing and so historically, the bulk of our programs have been through the Competitive Grant Programs. We don't have--what agencies are going to submit to us at the time that the MMR is reported. Going forward, we will have more projects through-- we'll have more projects queued up for our year implementation through the--the new Non-Competitive Deep Energy Retrofit Program. But again, that will be only a part of our portfolio.

CHAIRPERSON KALLOS: So, I'm just going to push back over--so I guess will you share the--the projects that are being submitted that are being considered through this Competitive Grant Program.

DEPUTY COMMISSIONER FIORE: Yes, I--yeah, I think--I think we may--

CHAIRPERSON KALLOS: [interposing] I think we made that public so folks-- Okay. So, I guess the Mayor's Management Report comes out I believe in--it's February?

MALE SPEAKER: [off mic] I believe it's January.

CHAIRPERSON KALLOS: The PMMR comes out in--? [background comments] No, the MMR is supposed to come out in September. I believe this time it came out dangerously close to October, but the PMMR comes out in I believe February or March because we use it for the Budget. But, so--

DEPUTY COMMISSIONER FIORE: January.

CHAIRPERSON KALLOS: Okay, so Fiscal Year 18 started on July 1, 2017.

DEPUTY COMMISSIONER FIORE: Uh-hm.

CHAIRPERSON KALLOS: Fiscal year-- Okay, the MMR came out in the--is supposed to come out in September, which is one-quarter into the Fiscal Year. When--by the time that Fiscal Year 18, July 1st has started, you've already budgeted for this year because that's the budget we passed in sometimes as early as--as May the last time and usually June. So, I guess how is it that you don't know the projects that you're moving forward with and the remaining 270 days, 90 days into the year after you've already set the budget for your year?

DEPUTY COMMISSIONER FIORE: So, (coughs) what we have is--by that time we have the first round of projects that agencies have submitted for our ACE and Excel programs, and--and we can report on--on that. We often do more than one round in each Fiscal Year, and so we don't have the additional projects from the second round. In addition, what you saw in Fiscal--Fiscal Year 17 is also the result of delays in contracts being put together for our Audits and Retro Commissioning Project. So, at the time we reported the MMR, those--those contracts were expected to be delayed. We did get those contracts through and get the consulting services on board, and so we has additional projects that were coming through that queue. So, it's--it really is a matter of--of timing for us. It's not that we don't want to report projects that we know about. We--we're happy to do that.

CHAIRPERSON KALLOS: Okay, so, I'm--I'm going to--you're welcome to stay on the panel. I'm also going to excuse you. If you wish to join the audience, I would like to go over--I--I know we tried to get this done quicker than expected but if I can have another 10, 15 minutes to just focus on fleet.

So, you're welcome to stay with your colleague who has been has been incredibly patient.

DEPUTY COMMISSIONER FIORE: I don't want to abandon him. If he stayed with me the whole time, I'll stay with him.

CHAIRPERSON KALLOS: Fair. You got it. About 30% of--so--so first, I just want to thank you and Fleet. So, the city has many, many vehicles. We actually sell vehicles. I'd love for you to tell folks at home how they buy a city vehicle. I've been told by staff and Counsel that I'm not allowed to buy a vehicle from the city, and I believe we spent a lot of time going through everything just to make sure that people aren't getting vehicles below market rate. It turns out if you're getting a vehicle below market rate, it may have been totaled, and we appreciate that. I'm not saying that the vehicles are in bad condition, but some--we saw a couple that sold for enough for us to raise an eyebrow. So, I want to appreciate the cooperation and transparency that DCAS has with the Committee on Governmental Operations, and the information that you've shared with us, and members of the press and the public just upon request. So, that we don't necessarily have to

do a devoted hearing just on Fleet and we're able to group things together. So, about 30% of the city's greenhouse gas emissions are linked to Transportation, two-thirds of which come from light duty motor vehicles. DCAS boasts of managing the world's largest municipal fleet, and a September New York Times article noted that the city fleet has grown 10% larger since 2014, and that city employee miles have increased by 25% in that same time. However, present--pursuant to Local Law 41 of 2015, the City is required to decrease its fleet by 9% over five years. How does the Committee for Fleet Management determine which employees-- So, so, let's start with--from there, and then I'll go into a couple of direct questions.

DEPUTY COMMISSIONER KERMAN: Sure. So, we are complying with the Local Law. The Local Law, though, is very specific to car sharing. It's a car share law in terms of sharing and pooling vehicles, and it's specific to where you really can car share effectively, which is light duty non-emergency sedans and SUVs. So, we are fully complying with the fleet reduction and the car sharing aspects of that. We innovated in car and fleet share. We run the largest

fleet share program in the fleet industry. That's said, Fleet Share is really appropriate when you're talking about pool sedans and SUVs. When you're talking about police vehicles or trades-trades vans, or construction units, that technology doesn't have the same applicability, and that's where the increase in fleet is, right? So, we're not increasing fleet in light duty cars for pool vehicles. We're decreasing them. We're increasing fleet for the Police Department, for the Police patrols, for the Sanitation Department, you know the additional 190 vehicles that were after the generous (sic) storm where we agreed to expand the plowing fleet. Well, those were additional trucks. At DOT where we're expanding the pothole maintenance, the reconstruction of streets, those were fleet operations. So, where we're expanding is the Police Department, the Fire Department, the DOT expanded investments and really the Sanitation Department. We are decreasing as-as required, and as we want to the light duty non-emergency for that.

CHAIRPERSON KALLOS: And that was shared with the Times prior to publication of the story?

DEPUTY COMMISSIONER KERMAN: Well, certainly. I mean we shared, you know, we—we did our best to represent what's going on. You know, look, it's true. We increased and it's an interesting story, because part of the sustainability challenge is dealing with growth. So, we did increase about 25% of the miles on the fleet and across an entire trucking industry and policy industry we operate 160 types of vehicles. While we did that, the City of New York reduced total fossil fuel use 8% by 2.3 million gallons. So, we covered 38 additional million miles, 38 addition million miles per year on negative fossil fuel. That's a pretty good return on investment for the city's Fuel Economy Program. For the fleet, obviously we're going to keep moving it toward 50% but, you know, that didn't get into that story, right, and it's a fair story. Obviously part of our challenge is we have to deal with growth, and if there's a decision made to expand police services to expand plowing services, to expand ambulance tours, those are all things the public wants. Our job, my job is to support those operations and make sure they happen, but we expanded the mileage in a fleet while fuel use went down, not up.

2 CHAIRPERSON KALLOS: How much did we save
3 in--in fuel costs?

4 DEPUTY COMMISSIONER KERMAN: Well, fuel
5 costs have gone dramatically down. Part of that is
6 the 2.3 million I've mentioned, and part of that is
7 the reduction of fuel pricing. I-I will try and
8 quickly--

9 CHAIRPERSON KALLOS: [interposing] That's
10 okay. You can--you can get it to us later, So how
11 does--

12 DEPUTY COMMISSIONER KERMAN:
13 [interposing] So, but--but we do report that in the
14 MMR. You know, fleet does have its own section of
15 the MMR in addition to its component in DCAS. We have
16 an extra 11 pages--

17 CHAIRPERSON KALLOS: [interposing] You
18 better believe you got questions on that comment.

19 DEPUTY COMMISSIONER KERMAN: --an extra
20 11 pages, but fuel costs have gone dramatically down.
21 We can scan it for you, but it was reported in the
22 MMR.

23 CHAIRPERSON KALLOS: Did you know that
24 your extra 11 pages that devoted to fleet did not
25 used to be in the actual MMR, but now it is.

2 DEPUTY COMMISSIONER KERMAN: Well, you
3 know, I can't speak to the book because I-I go
4 online, but the Fleet MMR has been around for a long
5 time. I've read every version for 24 years, and I'd
6 actually find every--

7 CHAIRPERSON KALLOS: [interposing] It
8 was--and it was separate--it was in a separate appendix
9 pulldown that you had to know it existed to find, and
10 now it is in the book proper.

11 DEPUTY COMMISSIONER KERMAN: We don't
12 want to make it easy for you. [laughs.]

13 CHAIRPERSON KALLOS: I and I'm assuming
14 that was in gest. Perfect. Just you--you never want
15 to be quoted out of context, though.

16 DEPUTY COMMISSIONER KERMAN: It's the
17 most exciting part. So, we know that, you know,
18 people will--will find--will search for it.

19 CHAIRPERSON KALLOS: Do you ever watch
20 the Crown on Netflix?

21 DEPUTY COMMISSIONER KERMAN: I've never
22 watched Netflix sorry.

23 CHAIRPERSON KALLOS: No, it's okay. we-I
24 discussed with the former head--the former director of
25 the Mayor's Office of Operations that the advice they

give is whenever somebody gives you something important, you turn it upside down because that's where the important stuff is, and the pages on the fleet, which are actually larger than the entire section on DCAS I believe are on the bottom. So, it is food for thought. So, how did the Committee for Fleet, and I think you've already touched on it, but how do you determine which employees get to drive a city car versus which ones participate in the fleet or are mandated to participate in the Car Share Program?

DEPUTY COMMISSIONER KERMAN: Alright. So, we—we currently have 750 vehicles that are in the Fleet Share Program. We're growing it up to 1,000. There is a process by which we work with every agency. In fact, that renew of that is happening as we speak. It's part of our compliance review we're doing where we review DCAS with every single city agency that operates light duty what's called the assigned list or the commuting. It tends to be the commuting list. So, we do a review of every commuter to make sure that it is essential, that it is an appropriate assignment. We're doing a review of that now. You know, the city does have commuters and most

inspectors commute, and for the most part, that is appropriate and--and necessary for how they do their job. We do, of course, have emergency responders who need to have access to their vehicles if they have to respond immediately to events. So, we do a review with each agency of all the commuting and--and that's an annual review, and happening right now actually.

CHAIRPERSON KALLOS: Back to the reduction, and --and our coverage. In Fiscal Year 16, DCAS was supposed to reduce the fleet by 2%. Why were only 42 vehicles identified for reduction?

DEPUTY COMMISSIONER KERMAN: Well, the base that we were talking about is actually 2,100 vehicles. So, that is governed by the law. So, we did the first 42, which is the 2% and now we're doing I believe it is 116. So, we will be fully compliant. If you add--if you add those up it's 118, so it's 2%, 2%, 2%, 2% and 1%, 9% in total, but the base is 2,100 vehicles. So, I have my calculator in front of me, but that will be 160 vehicles in the first two years, and it would be a 4% requirement. So, I think we are along the lines of where we need to be.

CHAIRPERSON KALLOS: DCAS is ahead of its target to produce--to procure, not produce-- DCAS

is ahead of its target to procure 2,000 electric vehicles by 2025. Are these intended to replace non-electrical vehicles that are being reduced from the fleet or are these in addition to the current non-electrical vehicle fleet?

DEPUTY COMMISSIONER KERMAN: In most cases they're replacements. If there is an approved program that's in addition that the Council and the Administration approved, and it involved sedans, those would be electric. Here's what I can tell you: Every single sedan we buy except for the Police Department is now going to have a plug in it, and that has already been the case for the last year. It will continue to be the case. To be honest, we will over—we should exceed the 2,000 rate. We have a 1,040 electric vehicles now, mostly sedans. Not all sedans, but it's certainly in sedans where you have the most robust electric vehicles market. We already have another 150 on order. That number will go up. Most of the expense orders tend to come in really in January for light duty cars. And so, you know, what we are doing is every single non-emergency, non-really non-policing sedan is going to be an electric car moving forward period.

CHAIRPERSON KALLOS: In the city of New York we have not—not one, but actually—we have actually more than—we have a number of different budgets as it were. We have a budget, which is based on the revenue we generate from tax dollars and other sources and we have a budget related to the money we borrow every year, and so when we borrow, that's called the Capital Budget, and that Capital Budget has certain restrictions on it. It's something that has to have a useful life of five years. It has to be more than \$35,000. How many—how much of the fleet are we purchasing by taking out loans? As I—as many of us might when we purchase a car, always go to a bank. Don't take it out from the dealership versus buying it with just the cash in our pocket.

DEPUTY COMMISSIONER KERMAN: Okay, so we spent—so one thing also organizationally because Fleet operates a little different. All procurement of vehicles and equipment goes through DCAS. We buy everything for everybody. So, agencies do not buy their own vehicles. We buy them, we bid them, and we work with OMB to authorize them. About—so we spent about \$340 million on vehicles in Fiscal Year 17. I don't have that—exactly the section in the MMR as

well, but about two-thirds of that is capital and about one-third is expense. The way the rules work for us, you know, really is about capital eligibility. So, fundamentally anything under \$35,000 in all light duty vehicles period irrespective of costs have to be bottom expensed. So, we cannot buy a sedan or an SUV on the Capital Budget period. It doesn't matter if the sedan for some reason costs \$50,000, we still could not buy a passenger car using the bonded budget. We can only use the expense budget essentially for sedans, SUVs, and mini-vans. It also covers small pickup trucks, but we don't—we don't operate too many of those. Then the trucking fleet, the—the Class 2 and above fleet, which is basically pickups and vans and then all your city trucks, ambulances fire equipment, SUV trucks is all on the Capital Budget. We're going to have--

CHAIRPERSON KALLOS: [interposing] The intent of car sharing and fleet sharing programs is to decrease city reliance on a large fleet and to increase efficiency of city fleet as 90%--95% of a vehicle's life is typically spent parked according to Fortune Magazine and Transportation Advisor Paul

Barton-Barter. According to the most recent Local Law 41 of 2015 Report, the Zip Car Car Share program cost almost \$1 million per month with ACS and DOT in the program the most. Can you explain the terms of the contract with Zip Car?

DEPUTY COMMISSIONER KERMAN: Sure.

CHAIRPERSON KALLOS: Are Zip Car costs saving DCAS money on the city fleet? Are we anticipating long-term savings? Have agencies encountered difficulties with city drivers driving unmarked private Zip Cars for city business, and is there an alternative to just use the technology ourselves without having to go through an intermediary?

DEPUTY COMMISSIONER KERMAN: Okay, sure. So, first off, you know, one thing that we have done, you know, we have expanded the mileage. We have not expanded the fleet commensurately. So, we have in total the whole city fleet about a 14% increase in total utilization. So, that's the gap between the increase in miles and the increase in fleet, which is actually less. So, that's number one. We are utilizing the existing fleet more as we cover additional programs and additional investment in city

employees, we're increasing the fleet, but certainly the increase in the fleet I think is 10% and the increase in the usage is 25%. So, there's you know, a big—we are using all the fleet that we have much more than we have before. Okay, so we pay on private Zip Cars so that Car Share Program is two things: It is private Zip Car, similar to what you would use or anyone would use in their personal life except we pay \$6.25 an hour, which is probably better than anybody else is getting. If you use Zip Car, I—I think we might be 50 or more percent more competitive than--

CHAIRPERSON KALLOS: [interposing] Yeah, I use the car. You're—you're one-third the regular price.

DEPUTY COMMISSIONER KERMAN: Well, so that's a good thing if—if you're--

CHAIRPERSON KALLOS: [interposing] Is there an annual fee per member?

DEPUTY COMMISSIONER KERMAN: No, no. We have a great—we have a really great deal, we just—we're doing a new contract, but the city has a great deal on Zip Cars. So, we are using Zip Car wherever we can offset additional utilization, and some agencies you mentioned them have been big users. We

have over 50 agencies using Zip Car. My office uses Zip Car. We do Zip Car all over the city, but basically where someone really doesn't need an assigned vehicle. They need access to a vehicle, Zip Car has been excellent. That said, we have a lot of functions. Where the official plates, the official markings are critical, and including the fact that city-city vehicles do not pay the meter. They are not required to pay the parking meter since it would just be the city paying itself. So--

CHAIRPERSON KALLOS: [interposing] We-we do that a lot, though.

DEPUTY COMMISSIONER KERMAN: We do, but we don't, and we don't--we don't find any reasons to--to annoy everyone by doing that. So, what we are doing, and that's the Fast Fleet Program. Actually, the technology is called Fast Fleet. It is now upgrading to something called Local Motion, but it's all--it's part of our Zip Car contract. So, in 750 city cars, and that will go to 1,000 next year, the city car with its official plates and lights and maybe, you know, if has like, you know, safety sirens or whatever the markings of shared like those Zip Cars, you do not, actually I don't have my wallet on

me or I would show you my own car. I gave up my own city car many years ago, and I use Fleet Share. You use the city car in the same way that you would use the Zip Car. You go all-

CHAIRPERSON KALLOS: [interposing] Does it follow the Deputy Commissioner have his fleet card or does he have his own vehicle?

DEPUTY COMMISSIONER FIORE: Public transport.

CHAIRPERSON KALLOS: Me, too.

DEPUTY COMMISSIONER KERMAN: There we go and I use my subway pass more often than not to the Upper East Side I might add. So-

CHAIRPERSON KALLOS: [interposing] Are you a constituent?

DEPUTY COMMISSIONER KERMAN: Um, 520 East 72nd Street. You're next to our building. [laughs]

CHAIRPERSON KALLOS: So, I do a program called the Ben in Your Building where if you gather neighbors, I'll show up at your co-op or condominium annual meeting, and we will dance, we'll sing songs. No, I answer questions about potholes and parking and the types of things that folks have concerns about.

DEPUTY COMMISSIONER KERMAN: I actually think it's in two weeks. So, I'll—I'll see if I can figure that out.

CHAIRPERSON KALLOS: Great. I may—so, yes, every elected official should do house calls.

DEPUTY COMMISSIONER KERMAN: So, the fleet share programs on 750 units. You share the car. You go online. You don't get the keys, and it's basically Zip Car for city-owned cars. So, we're solving the lights and sirens or not lights and sirens, but the markings and the official plates while sharing, and it's been very successful. We are, you know, reducing the number of vehicles we need. We're also seeing better how we utilize vehicles. So, we get reporting with this. So, interesting because you really see the use every—every day exactly what happens with those cars. So--

CHAIRPERSON KALLOS: So, these cars don't use CANceivers, you just get the GPS on each and every vehicle.

DEPUTY COMMISSIONER KERMAN: Yes. So, the local motion technology or the previous Fast Fleet Technology is the GPS, is the tracking unit for the car. So, you don't really need the CANceivers.

Some—some do have CANceivers because, you know, the CANceiver also supports our fueling program. But the tracking comes through the sharing program, sharing technology.

CHAIRPERSON KALLOS: A quick question, two quick questions. One is on fueling. Back to your colleague, the other one is just on items. So, again, I try to avoid legislation when I can. City Leg may disagree with me, but I have two colleagues. One would like to know where the street sweepers are. The other one would like to know where the garbage trucks are so you can avoid them when you're going places. We have CANceivers, we have GPS. Can the fleet just broadcast where our street sweepers are and our garbage trucks are so that [laughs] Sorry. Somebody in the audience was doing something that was funny, but could we just share this information that you already have?

DEPUTY COMMISSIONER KERMAN: Well, the CANceiver technology I mean that, you know, some of that may need to be directed to the Department of Sanitation. I will tell you the CANceiver technology is not a live technology. It's what's called a passive technology that was done to save expense

costs. So, that is an informational technology and an analytical tool, but you couldn't live link the CANceiver technology. It's a passive GPS system.

CHAIRPERSON KALLOS: Will you--will you make the CANceiver-- So, so we have arguments with constituents all the time. So, the argument goes thusly: Department of Sanitation never picked up my trash, never swept my street, never did X, Y, Z. We to Department of Sanitation, the Department of Sanitation says: Of course, we did, and then we're struck with he said/she said. Would it be possible to make the CANceiver information available through Open Data so that if somebody was intrepid or interested, we could just go check and see whether or not it actually drove down that street that day?

DEPUTY COMMISSIONER KERMAN: (coughs) So, I-I believe that there is proposed legislation that is being discussed at the moment. So, I-I think it's probably best to go to that committee and find out the status.

CHAIRPERSON KALLOS: Fair enough. I just like to get things done, but that being said, I-I strongly support that legislation and don't see why we can't make some of that information very public,

very quickly. Fuel. There is an agency called the Business Integrity Commission. They were created in response to organized crime in the private carting industry. They did a study where they found that—and people have I believe gone to jail for this, where they found that fuel delivery trucks were showing up at—amongst them both non-profit but mainly city buildings both state and city, but a lot of city, and were charging the city for let's say 2,000 gallons of heating oil while only providing the city with a 1,000 or 500, and are you aware of this problem? Are you aware of this case? Have you been in touch with Business Integrity Commission? Are our numbers perhaps inflated or deflated as a result of this? Has DCAS recovered funds from this to the Heat, Light and Power Budget? What has been the impact of this whole controversy?

DEPUTY COMMISSIONER FIORE: So, DCAS doesn't fund the fuel oil through the Heat, Light and Power Budget, and it's not central—centrally procured by DCAS now. It's procured by each of the agencies. I—I believe that—I didn't know of the investigation, and we think there is some merit trying to centralize

the tracking of fuel oil, and it's a new program that we're—we're working on.

DEPUTY COMMISSIONER KERMAN: So, so, a couple things on that. One DCAS and Commissioner Camilo has issued a public statement of support for the BIC proposal to regulate the heating oil industry, and so we are very interested in—in that support. And then, you know, we have certainly on the—the vehicle side we have implemented automative—automated fuel tracking, which can help with the issue of whether you're being shorted because it allows you to confirm the delivery of at the tank side, and not solely rely on what the truck says.

CHAIRPERSON KALLOS: To the MMR, Goal 6-A, for the Indicator Hybrid or alternative Fuel vehicles in the DCAS managed fleet the actual fiscal year 2017 and set targeted Fiscal Year 18 is flat at 76% while the desired direction is up. In your testimony, you've indicated that you have knowledge that we will actually be increasing. So, can you explain this discrepancy? Does this mean because the hybrid goal was obtained that the city will no longer purchase hybrid vehicles?

DEPUTY COMMISSIONER KERMAN: You're talking about the percentage, the 60% versus 62, alright, so one just historically, we were at 41%.

CHAIRPERSON KALLOS: [interposing] Sorry, the 76%.

DEPUTY COMMISSIONER KERMAN: Oh, for-for DCAS managed?

CHAIRPERSON KALLOS: [off mic] Yes. [on mic] Yes.

DEPUTY COMMISSIONER KERMAN: No, we will continue to push that forward, and I think the target is at 76. We'll—we'll take a look at—at that target, but we're continuing to—to move forward on—on those targets. I will tell you that that big limiter and—the gap so we've—we've added over 8,000 alternative fuel vehicles. We've gone from 40 to 60. Most of the gap is two things, one we have a strategy for and one we are—are working on. One is pick up some vans because traditionally those have been straight gas. We are now both transitioning to biodiesel for pick-new pickups and vans, and beginning our first hybrid pickups and vans, and the Parks Department just rolled in some hybrid pickups and vans. The second and the remaining gap is the

Police Department, is the Police Response Units and we are, and I mentioned in my testimony the majority of police response units are not alternative fuel at the moment but, you know, Ford just made a public announcement of the first what's called pursuit rated interceptor, the pursuit rated police car as a hybrid. We will be testing that in Calendar Year 2018. A large percentage of our police vehicles now are Ford Interceptors. So, if that is successful, I think that will allow us to really bridge the main remaining gap, which is to implement a hybrid alternative for policing vehicles.

CHAIRPERSON KALLOS: And so we have a commitment from you that the targets will be more aggressive moving forward in Goal 6-A?

DEPUTY COMMISSIONER KERMAN: Yes.

CHAIRPERSON KALLOS: Similarly, under Goal 6-A for indicators the "vehicles with the highest emissions rating purchased pursuant to Local Law 38 in the Citywide Fleet percentage" and "vehicles with highest emissions rating purchased pursuant to Local Law 38 and the DCAS managed fleet percentage both Fiscal Year 17 and 18 are lower, 95%

than the actual achieved fiscal year '17 of 100%.

Are you intending to--

DEPUTY COMMISSIONER KERMAN: The issue on that particular--

CHAIRPERSON KALLOS: [interposing] Are-- are we backtracking or--I know that the desire for--

DEPUTY COMMISSIONER KERMAN: [interposing] Well, we have 100% compliance so we're not--there's nowhere to--not that, no--

CHAIRPERSON KALLOS: [interposing] Well, but now you're--you want to go to 95%. So--

DEPUTY COMMISSIONER KERMAN: [interposing] See, we don't want to go to 95%.

CHAIRPERSON KALLOS: It says so.

DEPUTY COMMISSIONER KERMAN: The issue there is our respect--you know, the issue there is the Local Law itself sets a target of 95%. So, we've gone back and forth, as to whether to--to recognize that the actual target in the law is 95% or to put another target that's different from what's in the law. We are at 100% compliance. That's what we feel important is, but the issue is that the law itself sets a 95% target, and that's why it says 95.

CHAIRPERSON KALLOS: As a person who has held hearings on the administration's failure to follow laws, I have authored, I would encourage either adding a note or just setting that at 100%, and I—I hope that we don't have to go back to the book to change it from 95 to 100. Also, as you negotiate bills, I—I suggest using provisions that set a floor of 95% or such higher as the agency may set by rules. I usually put that into bills so that you can always outperform what I'm hoping for.

DEPUTY COMMISSIONER KERMAN: As a note we—we—it is noted in the—there is actually a note section of the MMR, and I believe that is noted in the—but we'll—we'll take a look at how to better present that, but we're at 100%. We want to stay at 100%, but the 95 actually came from the law.

CHAIRPERSON KALLOS: So there is a note section. I am just checking it. I am not seeing it having made into the note section, but I appreciate it.

DEPUTY COMMISSIONER KERMAN: We'll check. We'll check.

CHAIRPERSON KALLOS: We will send you additional questions. We have kept you half an hour

longer than we had said. I appreciate all the great work you're doing. I appreciate the transparency. I appreciate all the information you've agreed to share. Any time City Leg comes over to the hearing, [laughs] is a good time. So, I appreciate it. We have one—so—so thank you very much, and thank you for the great work you do. We have one person from the public who has signed up to testify. We have Alex Gleason from Central Labor Council who has been Tweeting away through the hearing. [background comments, pause]

CHAIRPERSON KALLOS: [off mic]

ALEX GLEASON: Okay, quick. You got it. Good? Good morning or good afternoon. My name is Alex Gleason, and I'm the Policy Associate at the New York City Central Labor Council, AFLCIO representing 1.3 million workers across 300 affiliated unions. The Central Labor Council has collaborated with our affiliated unions, environmental justice organizations and community groups to address the dual crises of climate change and income inequality. Our Coalition Climate Works for All has worked since 2014 to propose proactive policies aimed at making the city more environmentally resilient as well as

lifting the economic floor. Climate Works For All has collaborated with members of the Council such as Council Member Kallos as well as the Department of Citywide Administrative Services, which we sincerely appreciate to find opportunities to create well paying jobs as well as include the input of community in strategic decisions. From our institution's perspective the city plans to assess, install and operate renewable resources on public buildings, provides a strategic opportunity to create well paying jobs. The initial assessment of public buildings provides an opening to train New York City public workers to conduct building audits and assessments finding the best methods to not only reduce carbon emissions, but also replace inefficient systems. There are multitudes of upgrades any building could make and a master plan on what needs to be done to public buildings would create a pipeline of work opportunities for the future. This could support pathways to apprenticeship, and local hire for New Yorkers rather than outsource job opportunities. Leveraging public building inefficiencies, as a future economic development tool also sets a strong standard for buildings in the

private sector. In the future, vital upgrades will be necessary for buildings to efficiently operate, but if we are thinking how those upgrades contribute to emissions and placing a cap on them, it will serve as both good public policy and a smart long-run investment. Savings on energy can be reinvested back into the building workforce, and most green upgrades eventually pay for themselves. The city government can use public building efficiency standards as a model for the rest of the city. It is essential for the city to have a concise plan to upgrade the building, the public building stock. Without that, there are bound to be coordination failures, inefficiency and mass of opportunity costs. A smart coordinated plan could transform an important, but otherwise solid approach into a systemic transformation of our public infrastructure to the benefit of our neighborhoods and workforce. The Central Labor Council and Climate Works for All are prepared to help the Council and the city continue to achieve its emissions reductions goals and forge pathways to well paying careers. Thank you for your time and consideration, and I'm happy to take any questions.

2 CHAIRPERSON KALLOS: The Central Labor
3 Council represents organized—multiple branches of
4 organized labor?

5 ALEX GLEASON: Correct.

6 CHAIRPERSON KALLOS: Has the Central
7 Labor Council had occasion to learn of any people who
8 are working on city funded retrofit program who
9 aren't receiving the contracted living wage?

10 ALEX GLEASON: Not that I'm aware, but
11 that's certainly something that we can check in with
12 our affiliates on to ensure that that's happening.

13 CHAIRPERSON KALLOS: Are there any—are we
14 seeing any situation where any of the \$2.7 billion
15 that they city is spending isn't being paid out at
16 living wage, contracted rates that people are having
17 health benefits and training and other benefits that
18 they need?

19 ALEX GLEASON: Sure. So, actually that
20 was occurring on some of the solar jobs. Back when
21 the programs first started, your office was actually
22 very helpful in that work in getting DCAS to be
23 proactive, to proactively work with us on the issue,
24 and through some—a series of good faith discussions
25 and conversations with the folks at DCAS, we were

able through a series of meeting to instill in them how important this is and enough elected officials and public support came out that we were able to get that soft commitment to the Cost Benefit Analysis of what it would take for PLA language to be inserted around those buildings. It's also worth noting that the state treats power purchasing agreements as public works. So, if you do a PPA upstate, as far as I know, the State Comptroller did issue a directive that mandated that work be done with a PLA, and now we're seeing that hopefully being done soon with all the city's solar work, but that was non-union before.

CHAIRPERSON KALLOS: This is a request to you, but it is also a request to anyone watching at home who wishes to engage. Based on Tweets that you sent--

ALEX GLEASON: Yep.

CHAIRPERSON KALLOS: --with a hashtag #Climate Works for All, we asked DCAS and also with staff support to share information on the projects that they are now prioritizing. They have agreed to do so, and so as the Council itself reviews that list to ensure that they are prioritizing correctly, the Central Labor Council and its affiliates agree to

also review that list, and ensure that the city remains on track and that it is prioritizing projects properly.

ALEX GLEASON: We're more than happy to, and we're actually going to work with all of our coalition partners in the Environmental Justice community, and in community groups to make sure that happens.

CHAIRPERSON KALLOS: And I hope that anyone watching at home who is so inclined feels free to join us in the Climate Works for All Coalition. Thank you, and what is the best website if somebody is interested in learning more about Climate Works for All?

ALEX GLEASON: Right now you're going to look at Align New York. So Align New York.org, and we're going to be creating a website of our own, but we actually don't have our own website at the moment.

CHAIRPERSON KALLOS: Okay, thank you very much for your testimony and for joining us for this hearing. I hereby adjourn this committee hearing of the Governmental Affairs Committee—Governmental Operations Committee. [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date December 12, 2017