

CONNECT Infrastructure and Utilities
Working Group:
Climate Action Planning Subcommittee
Meeting Re Data/Finance
Monday | Jan. 10th, 2022 | 12:00pm
Via Zoom



Municipal Attendees: Patty DeMarco, Forest Hills; Andrew Flynn, Mt. Lebanon; Brittany Reno, Sharpsburg; Phyllis Anderson, Oakmont; Deneen Underwood, Carnegie Borough; Shawn Alfonso-Wells, Swissvale; Grant Ervin, City of Pittsburgh

Other Attendees: Aurora Sharrard, University of Pittsburgh Office of Sustainability, Jim Price, Sustainable Pittsburgh; An Lewis, Steel Rivers COG, Alyson Fearon, Allegheny Land Trust

CONNECT/GSPIA Attendees: Eric Raabe, Sarah Downing, Lydia Morin

Minutes

1. Introductions & Review Meeting Agenda, Quick Recap of How to Provide Feedback on CAP Draft

- Second Draft Plan was completed and posted following December 9th State of Working Groups Meeting – shared screen on newest updates, answered comments and how to provide feedback/comments/edits
- To see my replies/changes made to your old comments, visit [this shared link](#)
- Visit [the new “comment here” links](#) on the site to add new comments, suggest changes, and reply to other CONNECT members who comment! After opening, simply type your name/title in the box to sign in as a guest, or login if you have your own Adobe account.
- You can comment on the Full Plan, Plan Brief, or the 1-Page

2. Quick Data Discussion: The Need for Improved CAP Data Infrastructure

- Gave a quick refresher of the need for improved CAP data infrastructure; we need updated emissions, more specific data to help decisionmakers in our communities, and consensus on what we would like to see as a group(Refer to October Meeting Minutes for specifics)
- Plan is to distribute an informational chart for you to review(benefits/options for a few data strategies) and a short survey to members to get consensus on our data needs/how members want to improve the data process – this should help narrow down next steps – ***please answer survey when it is distributed as this group is most intimately involved with the subject***

3. Finance Discussion: How Do We Integrate Climate Decision-Making into the Budget?

- No matter what we're doing with climate action, whether it's getting these grants, working in the energy space, working in building infrastructure, working on transportation - ***most important gate that we end up having to cross is getting these passed as a line item on the budget.*** What are the barriers? What are the opportunities? Successes? What do you need to better integrate this into your budgets/staffs?
 - Historical difficulty in prioritizing these “wish-list items” on the budget, and communicating importance with our finance people
 - Idea for this discussion was brought up a number of times, important for us to discuss - as CONNECT members and partners may be able to learn from each other and help cocreate solutions in the finance space.
- Invited Aurora Sharrard & Grant Ervin to share their experiences/strategies to break this barrier at Pitt and the City, respectively. Open discussion with members on experiences/thoughts.
- **City of Pittsburgh’s experience** - there is naturally a disconnect between climate planning and budget planning – cultural as well as “language” induced - budgets operate under different systems and cycles versus climate projects that come up off the cuff. City had heated dialogue between chief financial officers and chief sustainability officers – climate projects are considered “unicorn projects” to them.

Realized importance of matching the traditional budget timelines and cycles with climate planning processes, and matching up how they are presented

- City partnered with ResourceX – priority-based budgeting platform to better prioritize climate and equity indicators across departments – which helped to align climate plan with budget to see where the investments and savings are needed or could be yielded.
 - ResourceX helped layout that aligned format
 - Created a shared language between our budget team and our sustainability team.
 - Result was full weight of City's 2022 budget was behind climate plan and is largest allocation to their climate activities yet
 - ResourceX Climate Budgeting Event [recording here!](#)
- **CONNECT should schedule a full ResourceX presentation to CONNECT members**(not for just climate specific utility, but as a general budget and department collaboration tool)
- **Municipality Thoughts:** as it pertains to CONNECT there are fundamentally two different levels to this conversation
 - One is empowering each municipality to do their thing - Resource X provides a mechanism for people to transition to priority-based budgeting, which is a huge leap, with huge value. Capacity for that transition though is an open question. ResourceX can also help facilitate collaboration and savings opportunities regionally, where no one muni could do alone.
 - The second is the concept of total cost of ownership - how do we get people to stop thinking about just this year's budget and shift to a total cost of ownership model where we understand the lifecycle costs of the assets/liabilities of that municipality(emitted carbon, tree maintenance, infrastructure upgrades, etc.)?
 - I.e. It's really difficult for a department manager to say they will buy an electric truck that costs \$5,000 more than a diesel truck without some foundational support for why and a recommendation as to why through the budgeting process.
 - How do we empower our department heads, giving them the incentives that are going to help them make the decisions that are going to you know get us where we need to go?
 - There does seem to be a consensus that the barrier really is how do you align the financial resources to this journey? These are two really interesting opportunities; I think the question is how does CONNECT help in that journey for munis.
- **University of Pittsburgh's experience:** Aurora Sharrard did their CAP plan and just went through a six-month process with their CFO about aligning the financial aspects with the climate action plan. Please do not share financial slides! **Lessons learned:**
 - Brought our financial team in on development of our climate action plan with fairly very early days, had to explain to them all the greenhouse gas accounting and why
 - Despite being our Plan, we had to bring our CFO along and it took the Chancellor from the top down, saying this is an important priority.
 - We put a cost and benefit to each of these things in the Climate Action Plan - so what is the cost to us and then what are either the cost savings or costs avoided.
 - Important to bring co-benefits into the conversation (especially some like equity, health etc. that are not as easily quantified)
 - Consider expected avoided costs of these investments (i.e. investments in bikes avoid the expected costs to build more parking) – important to get your finance folks ok with avoided costs
 - Consider adopting a longer payback period – traditional was 5-7 years, many times doesn't provide enough time for financial case
 - Important to getting financial people to be ok with the uncertainty of cost and benefit ranges
- **Municipality Question:** when doing our climate action plans, we had a really hard time figuring out what the anticipated dollar savings were for the various measures and actions let alone the avoided costs – **is there a way/process/tool to compute these costs/benefits?**

- Pitt used Pitt averages – [GRITS tool](#) is used by municipalities and Universities(CONNECT has access - sample project numbers from Northeast can be pulled out for your use), City has their own numbers
- Informative if ***we could synthesize what these platforms/tools are what their intended function is, value proposition, so we can understand some of the concepts to see the best path forward***
- Munis don't have capacity to do this themselves or money to hire consultants to do this – ***huge opportunity here on data collection and sharing for expected costs/cost savings*** – especially as most major actions for buildings and fleets will be done through capital budget – and on an ad hoc basis
- Muni: I think it would be very helpful to know how to structure those costs saving computations in order to give better decision-making tools for these kinds of things - whether resource X, or us sharing data from the City/Pitt where they've already done it– it would be one of the big things we can do as a collective to help these decisions
- **Municipality Question:** Have any of you used an ***energy performance contractor*** to implement municipal building improvements – is there an opportunity for CONNECT to collectively scale up something like this?
 - City has done a number, noted that they have had a difficult time of getting their finance people to understand the benefits of that model
 - Pitt has done a number as well, including other internal financing models – partners closely with [The Efficiency Network](#) and their dashboard for estimates(such as LED, building upgrades, etc.)
 - Buildings are most difficult to estimate as there are a number of building variables to consider
 - Very important for organization to recognize/agree to the expected savings/avoided costs upfront for these types of projects (i.e. putting in a trust, etc.) or else they will get lost in the mix, rather than being free to fund future projects.
- A good next step for CONNECT data collection might be to collect facilities and fleet baseline for all the CONNECT members.
 - 300 facilities across the city, 150 benchmarked, about 1000 fleet vehicles. Fleet and facilities baseline is like your inventory of start to understand what you need to transition – then you can enlist in an APC or Energy Performance Contracting conversation and likewise for fleets.
 - Muni: Easier said than done! Eight building and three different fleets. All billing data in different files, not able to capture electronically.

4. Wrap-Up/Reminders/Other Items

- Next agenda should include additional ResourceX exploration as well as cost estimation tools that we can give to people as they're implementing climate plans
- [GRITS tool](#) and sample project costs for use by municipalities – just ask Eric for access
- [Here](#) is the 20 min vid of Lydia's convo with ResourceX
- Patty DeMarco's [article](#) on individual climate action
- Next Meeting: Monday, February 14th 12-1PM. Register [here](#)