



Energy Work Group
Meeting #2
Monday, September 12, 2011
9:00 – 11:00 am
Marcy Casino 1 Delaware Park, Buffalo, NY 14222

Meeting Notes

Work Group Members Present: (10)

Work Group Chair, Deanna Brennan, Niagara USA Chamber
State Resource, Linda Hardie, NYSERDA
State Resource, Kim Richardson, NYS DOT Reg. Landscape/Env. Mgr.
State Resource, Joe Kessler, NYPA
Stakeholder, Susan Langdon, Marketing/ Project Manager NCIDA
Stakeholder, David Burke, Covanta Energy
Stakeholder, David Flynn, Phillips Lytle
Stakeholder, Rich Tobe, Richard Tobe, ESQ
Stakeholder, Alex Cartwright, University at Buffalo
Stakeholder, Mary Martino, AFLCIO

Summary of Meeting:

The meeting was opened by the Chairperson, Deanna Alterio Brennen. Then, each of the representatives stated their names, the organizations they represented, and the goals and expectations they had for the meeting.

Diego Sirianni showed a short Power Point presentation describing the nature and purpose of the Governor's Regional Council's to get new members up to speed, and then there was a short discussion regarding the precise meaning of the Work Group's charge, Energy, and what the goals of the meeting were.

Diego then asked the group to review and add to the SWOT Analysis from meeting I before dividing into four SWOT groups to work on defining strategies, projects, policy, and programs. Once the members had divided themselves into four groups, each group worked on grouping together their SWOT analysis ideas to formulate bullet point strategies. After approximately ten minutes, each group reviewed their findings and suggestions to all members. The members spent their last five minutes adding to the analysis boards that they had not worked on.

Goals & Expectations for Phase II:

- **G-** Create Green Jobs (ex. solar energy, etc.)
- **G-** Better define this committee and our deliverables
E- Understand how I will fit in with this committee and our deliverables
- **G-** Support development of comprehensive state energy policies as was once done by State Energy Office that was ended by Gov. Pataki
E- Develop an approach that will be accepted by the council regarding the retention of NYPA Hydro Power in WNY, and the retention of the proceeds from the sale of Expansion & Replacement Power to out of area customers...For Economical Dev. purposes
- **G-** Develop comprehensive energy strategy (coordinated) Education & Research -> Industry
E- Build relationships
- **G-** Communicate and Stress to Regional Council numerous serious barriers that exist in NYS for effective and timely eco. Dev. Projects (ex. Cumbersome SEQR process, Smart Growth Act, and others)
- **G-** Maximize use of available and unique energy resources of region
E- Help clarify NYPA's role in the process
- **G-** Move forward to develop an efficient mechanism to advance projects and form policy to leverage our energy resources & contribute to economic growth
- **G-** Agreement on reasonable and obtainable projects to improve WNY economy
- **G-**A strategy to provide a strong diverse energy future for the region
- **E-** NYSEROA opportunities are utilized as a metric that can be a measurement for success
- **G-** Create an inventory of diverse ideas
E- NYSEROA opportunities are utilized as a strategy for economic growth (ex: Riverview)
- **G-** "Synergize" Resources (ex: Education, Energy Industry) to optimize strengths (rich history)
- **G-** Narrow down specific strategies through sustainable growth with an approach
E- Group members speak freely and openly about the issues of our region faces & how to overcome

SWOT Analysis Results:

STRENGTHS

- Location specific resource advantage
 - Proximity to Marcellus formation & infrastructure of water
 - NY fracking options
 - Power gen. resource
 - Low Cost Hydro Power
 - Border region (International)
 - A shallow lake for offshore wind
 - Wind resources
 - Wind power
 - Acceptance of renewable energy
 - Weather climate
 - Moderate climate
- Intellectual Adv.
 - Existing research \$ for energy
 - Education system/Research Infrastructure
 - Ability & expertise to produce, implement, monitor, & change product
 - Energy storage expertise- Batteries (Esther Takeuchi)
 - Knowledge of smart system-Smart Grid (Wireless vs. wired)
 - Directed Energy Program – NYSERDA/UB
- Man Made Location Advantage
 - Materials/ Nano-materials Expertise
 - Shovel ready Brown Fields
 - Manufacturing expertise
 - Strong manufacturing base
 - Rails
 - Skilled workforce
 - Electro-Chemical Industry value chain

Strength Strategies:

- Consolidate wind power resource pool
- Rank/prioritize renewable resources
 - What we do best
 - Where do we beat the competition
- Gain Regional alignment on hydro-fracking
- Inventory of underutilized infrastructure
- Line up/coordinate w. energy (ex. Pump house capacity, brown field, rail, ports)
- Verify that we've maximized university – industry synergy

- Inventory of industry value chain opportunity
- Maximize boarder synergies
- Expand the Coalition building

WEAKNESSES

- Lack of energy plan – uncoordinated efforts
- Attack on coal
- Excessive power generation cooling regulations
- High electric costs
- Lack mechanisms to assure diverse energy sources are applied to regional opportunities
- We need a policy to routinely apply
- Bureaucracy (state agencies)
- Politicized low cost power allocation process
- Ports have not been dredged in years
- Lack of trust among partners
- Resistance to change
- Start-up funds-seed funding
- Lack of capital to implement items listed in “opportunities”
- Entrepreneurial environment/spirit

Weakness Strategies:

- Lack of plan
 - Regional component to State energy plan
 - Regional energy councils
 - Diversify energy sources
 - Small production, small consumer/Large production, large consumers
- Energy Financing and Development
 - Energy based revolving loan fund
 - State investment & ownership of every venture
 - Use of Energy funds to fund economic development Fund (ex: NYSEROA changes)
 - Policies that encourage “new” energy (ex: cut taxes)
- Coal
 - Resources to transition to clean coal
 - Incentives to reopen coal plants
- Policy and Regulation
 - Review of policy and regulation affecting energy

- Regional pricing & use based pricing to facilitate eco. Development
- One-Stop sharing component

OPPORTUNITIES

- Funding
 - Dept of Energy POE funding large programs ARPA-E
 - Power to businesses at low cost
- Education
 - Prepare Student Curriculum -ready workforce installation
 - Large student/community interest
- Environment
 - Ability to build a diverse energy resource network for regional storage
 - Relocation to support offshore wind
 - Growth of Marcellus development
 - Build on green energy momentum
 - Demand for clean energy
 - Building model communities

Opportunity Strategies:

- Use our existing renewable Energy portfolio to expand the supply chain for additional renewable energy businesses (ex: solar mfg., etc)
- Dialogue between academics & practitioners to develop an educational curriculum to take advantage of energy opportunities
- Funding Policies to maintain/create cost advantage (locally)
 - Programs
 - Research
 - Low Cost to Market

THREATS

- Lack of funding and prioritization
 - Dwindling Fed. Funding of scientific research
 - Scattering of resources
- Outside policies that can inhibit government sanctioned water protection
 - Outsource water to dry overseas countries
 - Transfer of water power out of region
- Others becoming experts of energy/energy leaders
 - External, National and International competition
- Power generation cooling tower mandate RGGI
 - Perceived weakness of NYS regulatory system
 - Need to speed regulatory system – Regulation impedes innovation

Threats Strategies:

- Lack of funding and prioritization
 - Need to relegate set of expertise to leverage funds
 - Energy leaders need to collaborate
- Region losing competitive edge
 - Become best at energy
 - R&D
 - Investment
 - Change attitude-Energy success
- State Policy Impacts Region
 - Need clear Regional Energy policy tied to Statewide policy (Benefit State & Regional)
- Regulation impedes innovation
 - Overcome public environment concern (education)
 - Need regulation that protects ENVIRO. Resources while supporting growth