Energy Work Group
Meeting #4
Friday, October 7, 2011
8:00 – 10:00 am
Buffalo Transportation Museum, Buffalo, NY 14203

Meeting Notes

Work Group Members Present: (10)

Deanna Brennen, Niagara USA Chamber
Paul Brown, President, Buffalo Building & Construction
Alex Cartwright, University at Buffalo
Edward J. Damico, National Fuel
Dave Denk, NYS DEC
Dennis Elsenbeck, National Grid
David Flynn, Phillips Lytle
Laura Fulton, UB Senior Policy Analyst
Joe Kessler, NYPA
Robert E. Knoer, The Knoer Group
Susan Langdon, Marketing/ Project Manager NCIDA
Mary Martino, AFL-CIO
Richard Meyers, Town of Somerset Supervisor
Kim Richardson, NYS DOT Reg. Landscape/Env. Mgr.
Rich Tobe, Richard Tobe, ESQ
Corey Wiktor, Cattaraugus IDA
Jessica Zelman, Empire State Development
Wendy Sanfilippo, Cornell Cooperative Extension
Greg Stoner, Painters Council
Howard Zemsky
Becky Landy

Summary of Meeting:

The meeting was opened by Chairperson Deanna Alterio Brennen. David Flynn then reviewed the three strategic titles discussed in the previous meeting. Goals for this meeting were to finalize the three strategies and to identify priority projects.

Strategy Minutes:

Maximize Hydro Power

Subsets

1. Re-activate resident NYS Advisory groups within 30 mi. radius of generation
2. Allocate the power that is created to local companies ($8-10 million/yr in long-term annuity)
    a. How to enforce?
    b. Industrial Savings Award
    c. The way it is interpreted by the Governor
    d. Pass Clean-up bill (Bill amended- passed senate, stalled in assembly on last day)
    e. Need Governor's support
    f. Take allocation and use of monies to create a program
    g. Is having power allocation go through NYPA the issue? What are the issues? Political? Does it disassemble the PA's authority?
    h. 30 miles created for "replacement"
    i. Recharge NY- rule domestic- makes it more palatable today. Should be easier in terms of timing
3. Energy Cost-Savings Benefit: Entice companies that want to receive green energy to create green products and lower their carbon footprint

Benchmarks

Public call to project
Competitive process
1st Call - Allocation for money
Job Creation/Investment
2nd Call - Start Process Again

Senate > local board would allocate power

ESDC Partnership Niagara Mohawk National Grid NCIDA ECIDA	>	Recommend formation of board and criteria for project
Allocation of Power Allocation of Cash	>	Trustees' Action & power of authority

**Fit into existing structure

Promote Conversion to Natural Gas Powered Vehicles in WNY

SMART ENERGY

- Mass Transit
- Government
- Large Companies
- Buses
- Utility Vehicles
- Emergency Vehicles

Need infrastructure in place to support this

Problem:

Only 15 filling stations locally (not all accessible to the public); 850 nationally
Mfg doesn't believe there is a market
The amount of time it takes to refuel

Incentive for public/private partnership

"Quick Fill" Station- Delivery Point
Obtain financing to make conversion possible

Is natural gas broad enough? SMART ENERGY CONSERVATION
Energy Hub of the World, again:

Vehicles
Homes
Buildings

Drive Economics – Able to support and test new energy/technologies that impact energy as a region
Fuel agnostic/alternative fuel – A marketing opportunity for large companies

Cleaner and Cost Effective – 1/3 of cost w/ little cost variation to refuel

Hydro Power fits into that broader, higher strategy

Ford, GM, Honeywell
Are we connecting dots for region?

- Natural gas – Pilot Project
- Public/Private partnership

Natural Gas conversion – where do you get kits? Cost?

NG - @ $1.30/gallon
Biodiesel – NOCO
Tonawanda charging stations > Disconnect between current
Honeywell Battery pack energy providers

Parts and Money to convert vehicles:

Assembly Line
Looking mostly to convert Trucks, Vans, & Buses (Modern converting recycling trucks)

Long Term –

- Key manufacturers for natural gas vehicles
- CNG chargers for homes
- Infrastructure/Business Model for start-up
  - New, younger generation, better image for environment, less tax dollars
  - Lessen end user consumption > smart growth

Questions:

- How to we encourage innovation & start-up companies?
- How do we become a test bed for new technology/innovation?

Energy Efficient Transportation tied to Smart Growth – Crossover to Smart Growth Group

- Cheap Energy
- Brownfields
- Technical schools
- Infrastructure

Smart Energy Efficient Transportation as tactic under energy hub strategy

- Strategy
- Start with Natural Gas
- Re-powering Existing Plants
  - -Electric will help more in short-term
  - -Natural Gas less expensive than electric
  - -Multi-fuel capabilities to preserve economic interest
    - Electric
    - Bio Diesel
    - Natural Gas
  - -Encourage Alternative Energy
    - Lower cost transportation
    - Build Infrastructure – lower cost alternative fuels
    - Attract Manufacturers – vehicles, fuel cells, companies w/ green outlook
    - Exporting parts/Suppliers
  - Marcellus shale- leverage abundance of cheap natural gas- energy efficiency
    - (Not limited to transportation)

Performance Measures

- Job Creation
- Investment

Green Energy Park

- Is it an advantage to the manufacturing? e.g. Walmart effect?
- Block of Hydro Power dedicate
- NYSERDA assistance

Energy Education – Smart Energy
- Energy Efficiency & Focus on T&D, end use, renewable power, and power quality and Reliability
- Smart Growth regional development

Global Energy Hub

MODERNIZE THE GRID

Develop Education Consortiums
- Buffalo State College
- University at Buffalo

Exploit Momentum/Leverage investment

Gateway to power
- Alfred
- Syracuse
- Buffalo State
- UB

Energy Reborn > Innovation

Supply Chain Issue
- Energy here > need to move it out of the region

Use hub to act as technology collector – living lab – generating ready workforce & attract high-tech enterprises

Hi high advisory group

Performance measures
- Business partners
- Training
- Jobs
- Entrepreneurs
- I.P./Technology transfer

How do we get people to embrace this change?
- Educate people on how to reduce usage
- Retrofit ageing housing stock

2009/2010 - $38 million in heap
- Weatherization
- Solar
- Retrofit
- Link to colleges/universities?

Pilot Project?

>

How do we integrate into supply chain? i.e. lead paint
- Create economic benefits

Living Laboratory

- Consortium would manage and measure success
- How do we encourage spinoffs/economic development?

GE & GM } Financial and material support

Need to market the program

- Educational collaboration across institutions (labs, people, high level faculty)
- Easier to attract high level faculty with a regional vision/strategy

Local Energy Hub

- Centralized entity to coordinate and maximize activities
- How do we protect and expand what we have?
- Demonstration projects – prove efficiency and ROI, working lab > prove they work

Job creation at all levels :

- Community Colleges
- 4-Year Colleges
- University Center Research Institute
- Human Supply > technician > engineer > researcher

Who will take ownership?

- Formalized hub – governance
- High powered, experienced leader to drive it like Albany Nano Center
- UBs capacity in Energy Storage/Innovation within SEAS
- CFA > application for funding by 10/31