

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON GOVERNMENTAL OPERATIONS

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HELD AT: 250 Broadway - Committee Rm.
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B E F O R E: BEN KALLOS
Chairperson

COUNCIL MEMBERS: David G. Greenfield
Mark Levine
Carlos Menchaca
Antonio Reynoso
Ritchie J. Torres
Joseph C. Borelli

A P P E A R A N C E S (CONTINUED)

Anthony Fiore, Deputy Commissioner, Energy Management
Department of Citywide Administrative Services, DCAS
NYC Chief Energy Management Officer

Keith Kerman, Deputy Commissioner
Department of Citywide Administrative Services, DCAS
Chief Lead Officer for New York City

Alex Gleason, Policy Associate
NYC Central Labor Council

2 [sound check, pause] [gavel]

3 CHAIRPERSON KALLOS: Good afternoon, and
4 welcome to this hearing of the Committee on
5 Governmental Operations. I am—I have the privilege
6 of chairing this committee. I'm Council Member Ben
7 Kallos, and as always, you can tweet me at benkallos.
8 That's for members of the public who are watching
9 live at home on the Internet stream or on Council TV.
10 Also, for members of the media feel free to Tweet
11 with your questions, and we have a practice of
12 passing those along. Today we'll be discussing how
13 the Department of Citywide Administrative Services,
14 DCAS manages the city's energy needs and initiatives
15 for energy efficiencies. DCAS is tasked with
16 overseeing all energy management for city-owned and
17 leased assets. This includes procurement,
18 retrofitting, maintenance, training and performance
19 tracking. Three years ago, New York City committed
20 to cut greenhouse gas emissions 80% by 2050,
21 colloquially known as 80 x 50. In order to reach
22 this goal we must reduce energy use across all
23 building sectors by an average of at least 60% from
24 the 20-2005 baseline. Following an executive order
25 in June of this year, the city is aiming to implement

2 prioritized subsets of the 80 x 50 plan by 2020.

3 This includes reducing emissions from city-owned

4 buildings by 35% by 2025, and reducing emissions from

5 the city fleet by 50% by 2025 and 80% by 2035.

6 Needless to say, this is a difficult task, and we

7 have much to discuss today to ensure the city is on

8 track. I want to thank members of the committee who

9 are present including Antonio Reynoso. I also want

10 to thank Committee Council Brad Reed, question

11 Counsel Valqis [background comments] Naherik (sp?),

12 Policy Analyst Elizabeth Cronk; Finance Analyst Zach

13 Harris; and our Legislative Director Paul Westrick

14 for their work in putting together today's hearing,

15 and with that, I'll ask Counsel to administer the

16 oath, and then DCAS may begin with an opening

17 statement.

18 LEGAL COUNSEL: Do you affirm to tell the

19 truth, the whole truth, and nothing but the truth in

20 your testimony before this committee, and to respond

21 to Council Member questions honestly?

22 DEPUTY COMMISSIONER FIORE: I do.

23 (coughs) Good afternoon, Chair Kallos, and members of

24 the Committee. My name is Anthony Fiore and I'm

25 Deputy Commissioner for Energy Management at the

2 Department of Citywide Administrative Services, DCAS
3 and Chief Energy Management Officer for New York
4 City. (coughs) Thank you for the opportunity to
5 testify today regarding DCAS' Energy Management and
6 Energy Efficiency Initiatives. As part of One City
7 Built to Last Climate Action Plan released in
8 September 2014, the Mayor articulated a vision for
9 reducing citywide greenhouse gas emissions 80% by
10 2050 over a 2005 baseline known as 80 x 50. In
11 addition to the citywide 80 x 50 goal, city
12 government has tasked itself with leading by example
13 and reducing greenhouse gas emissions from municipal
14 buildings 35% by 2025. DCAS as the vision energy
15 management serves as the hub for energy management
16 for city government operations including energy
17 procurement, building retrofits, improved operations
18 and maintenance, training, performance tracking and
19 management of electricity and natural gas in steam
20 accounts, and is specifically tasked with
21 implementing energy efficiency and long-term
22 sustainability efforts for more than 4,000 buildings
23 that serve 80 agencies. Through reducing energy
24 usage, investing on on-site clean In-City Generation,
25 and increasing the supply of low carbon energy with

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

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

2 street lighting improvements, which are expected to
3 yield more than \$54 million an avoided annual energy
4 costs and approximately 142,00 metric tons of avoided
5 greenhouse gas emissions, equivalent to the removal
6 of 30,400 vehicles from the road. The program allows
7 for streamlined funding of energy efficient capital
8 projects that are identified, managed and implemented
9 by partner agencies through their existing contracts.
10 On the expense side, the Expenses for Conservation
11 and Efficiency Leadership or Excel program provides
12 city agencies competitive funding for operations and
13 maintenance improvements, energy saving retrofits,
14 diagnostic tools, studies and specialized training.
15 More than \$48 million has been awarded for projects
16 that are expected to yield almost \$13 million in
17 avoided energy costs and approximately 34,300 metric
18 tons of avoided greenhouse gas emissions, equivalent
19 to removing 7,345 vehicles off the road. To improve
20 building energy performance, and comply with Local
21 Law 87, DEM has also completed more than 660 energy
22 efficiency audits. By the end of the year, we will
23 have completed all identified retro commissioning and
24 energy conservation measures required by law in 215
25 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

2 high stress on the electric grid. More than 23
3 agencies are participating in our Demand Response
4 Program with over 400 buildings taking approximately
5 75 megawatts off the grid each year reducing the need
6 for running the least efficient, most polluting
7 electric generation. Every year we have added
8 additional capacity to this program. We are now
9 expanding the program to reduce the load not just
10 during times of grid constraint, but at all times.
11 One of the key tools to do this is the installation
12 of real time metering. We now have real time
13 metering installed in more than 300 buildings, and
14 our first test case in using this information to
15 reduce load resulted after almost a year in an energy
16 reduction 10 percentage points better than the
17 overall city reduction. To ensure investments are
18 properly maintained, we have heavily advanced
19 programs to address staffing, operations, maintenance
20 and training. DEM has helped build capacity at
21 targeted agencies by funding dedicated energy
22 personnel such as energy managers and energy analysts
23 to focus on achieve citywide goals through the
24 implementation of energy saving projects, responding
25 to funding opportunities, and implementing operations

2 and maintenance strategies. These staff members
3 ensure that efforts are coordinated across all
4 participating agencies, and that industry practices
5 are being consistently employed. Currently, DEM
6 funds 22 energy personnel at 12 partner agencies.
7 DEM has partnered with seven agencies to develop
8 better building operations and maintenance practices,
9 and provides assistance in organizing associated new
10 needs to properly manage and maintained municipal
11 buildings. These investments in operations and
12 maintenance personnel and other resources have helped
13 extend the useful life of major building systems,
14 optimize their efficiency, and ensures that each
15 agency has the appropriate staffing to maintain a
16 safe energy efficient and comfortable environment in
17 city buildings. As the education of our work-
18 workers, students and the community is critical to
19 achieving our greenhouse gas emissions reduction
20 goals, DEM has invested in training programs for
21 employees, public school students, and targeted
22 communities. Working in partnership with City
23 University of New York, DEM developed the Energy
24 Management Institute, a robust training program to
25 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

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

1 assess the savings achieved through energy management
2 programs. DEM has partnered with CUNY's Building
3 Performance Lab to roll out an M&V program utilizing
4 internationally recognized standards on selected DEM
5 funded projects. This program provides data on
6 equipment specific and system level efficiency gains,
7 which can be used to calibrate our estimates of
8 expected savings and refine our investment decisions.
9 To assist in the effort, a training class to ensure
10 staff understand the basic terminology and concepts
11 of the M&V, is now offered through our Energy
12 Management Institute. Another key part of our
13 strategy is expanding the deployment of clean energy
14 technologies such as solar photovoltaic, co-
15 generation and other clean distributed energy
16 resources across the city's portfolio. Working in
17 partnership with the Council through Local Law 24 of
18 2016, we—we assess the solar potential of our entire
19 portfolio of municipal roofs for buildings of 10,000
20 square feet. This effort in part is to support our
21 goal to install 100 megawatts of solar by 2025 on
22 municipal properties. Today, we have nearly 9
23 megawatts installed on 53 city buildings with more
24 than 100 projects set to kick off construction in
25

1 this next year totaling an additional 29 megawatts.

2 Our installations currently make up about 8% of all

3 PV installed citywide. We are working on converting

4 solar into future roof replacements and new

5 construction projects, and we are developing solar

6 design guidelines with our capital construction

7 agencies. In looking beyond rooftops, we have our

8 first solar parking lot canopy projects and design

9 with the Department of Transportation and Parks

10 Department. We are also deploying energy storage

11 technologies to support demand charge reduction,

12 provide peak shaving and maximize renewables such as

13 solar, which will help the city meet its 100 megawatt

14 hour by 2020 energy storage target. As part of this

15 effort, we are kicking off our first five locations

16 for solar plus energy storage installations at

17 firehouses and libraries. Additionally, in close

18 collaboration with the Fire Department, we completed

19 the delivery of our first 100 kilowatt energy storage

20 project at Jacoby Medical Center last month. The

21 system is expected to be operational by the end of

22 the calendar year, and will provide resiliency and

23 peak load shaving benefits. As part of our longer

24 range goals, DEM continues to explore larger scale

25

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

1 increase in headcount. In the same timeframe, DCAS
2 completed 800–864 projects with a total investment of
3 \$287 million resulting in 76,742 metric tons avoided,
4 which represents 5% avoided emissions from our 2006
5 baseline. Looking back even further we have seen a
6 decrease in energy usage despite the same heat, light
7 and power budget. Seven percent of fiscal year–
8 year’s energy usage is from facilities added to the
9 city’s portfolio since 2008. Comparing 2017 to 2008
10 on a same store sales basis, there’s a 6.2% drop in
11 utility energy consumption. The average emission
12 rates and costs of this reduction is equivalent to
13 113,000 metric tons of avoided carbon and \$45 million
14 in cost savings. By the end of Fiscal Year 2018, the
15 estimated reductions for invested projects since
16 Fiscal 2014 when OneNYC Built to Last Programs were
17 initiated, will be 182,542 metric tons bringing us to
18 12% avoided emissions from our 2006 baseline.

19 Several agencies are already on track to meet or
20 exceed their targeted greenhouse gas emission
21 reductions. For example, from Fiscal Year 2015 to
22 Fiscal Year 2016 along DCAS facilities management
23 reduced greenhouse gas emissions 12% from its
24 portfolio lowering utility expenses by \$5.5 million
25

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

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

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

2 Administrative Services, and the Chief Lead Office
3 for New York City. New York City operates over
4 30,000 owned and leased vehicles, the largest
5 municipal fleet in the United States. Of those, more
6 than 12,000 or 40% are emergency service units
7 assigned to the NYPD and FDNY. New York City
8 maintains fleet units at 37 dedicated fleet repair
9 facilities, and has over 400 in-house fueling
10 locations. We utilize approximately 850 distinct
11 locations throughout the city to park our fleet.
12 More than 2,000 city employees work full time in
13 fleet repair and garage dispatch operations across
14 the ten largest fleet operating agencies. In total,
15 more than \$900 million was spent citywide in Fiscal
16 Year '17 on fleet related costs, including
17 acquisitions, repair, fueling, parts, and collision
18 claims. DCAS leads efforts to share an improve
19 services and safety across the ten major fleet
20 operations, which include DCAS, and also NYPD, FDNY,
21 Correction, Sanitation, Environmental Protection,
22 Parks, Transportation, Education and Health. In
23 addition to these large agency fleets, more than 40
24 other agencies with smaller fleets were managed and
25 serviced through DCAS. DCAS leads initiatives in

2 sustainability, performance reporting and emergency
3 management. DCAS manages day-to-day services on a
4 citywide basis, including repair, fueling, auction,
5 part supply, care share and claims management. On a
6 sustainability front, DCAS operates one of the
7 largest alternative fuel fleets in the world with
8 18,314 total units using some type of alternative
9 fuel including electric, solar, hybrid electric,
10 natural gas and biodiesel.

11 Clean Fleet Initiatives: Through Mayor
12 de Blasio's NYC Clean Fleet Initiative, which was
13 announced in 2015, DCAS is working to cut greenhouse
14 gas emissions in half by 2025 for the city fleet. As
15 part of this effort, New York City currently operates
16 1,042 on-road electric vehicles with 150 more on
17 order so far in Fiscal Year 18, and that number will
18 go up. This is one of the largest EV fleets in the
19 world. In 2014, there were only about 200 electric
20 cars in the fleet. So, it's been more than a five
21 time increase. The city also operates 630 off-road
22 electric and solar units including carts, forklifts
23 and sign boards. The city now operates over 422
24 electric chargers for fleet units, and which is the
25 largest charging network in the state, including our

1 fist solar carport units. In Fiscal Year 17, New
2 York City implemented its largest ever biodiesel
3 program with 16 million biodiesel blended gallons or
4 2.1 million gallon equivalents of pure biodiesel, B-
5 100 for the city fleet. In 2018, New York City will
6 implement a first demonstration contract for one
7 million gallons of renewable hydrocarbon diesel fuel,
8 called RD, which can achieve equal environmental
9 benefits and greenhouse gas benefits as biodiesel,
10 but without some of the equipment compatibility
11 issues we face with high blends of biodiesel.
12

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

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

2 Contract. New York City agencies use more than
3 150,000 hours of shared Zip Cars in 2016, reducing
4 demands on city-owned fleet units. In addition, 750
5 city-owned fleet units are shared using Zip Car
6 technology enabling them to be easily pooled. Fleet
7 continues to expand the sharing initiatives, and will
8 operate at least 1,000 shared city-owned cars by the
9 end of 2018. As part of Local Law 41 of 2015, the
10 city reduced the non-emergency light duty fleet by 42
11 units in Fiscal Year 17. In Fiscal Year 18 DCAS is
12 implementing a larger 118-unit fleet reduction. This
13 law covers about 2,100 light duty sedans and SUVs
14 that are suitable for pooling, and excludes police
15 emergency inspection and enforcement units as well as
16 newly funded programs. DCAS recently rebid the
17 Citywide Car and Fleet Share Contract. We expect to
18 have a new long-term contract registered very soon in
19 Fiscal Year 18, which will include updated and
20 improved sharing technology. New York City is also
21 expanding use of anti-idling technology with 202
22 ambulance now using Stealth electric batteries to
23 reduce emissions, and stop idling with 120 addition
24 units on order. Last week, DCAS and Con-Ed announced
25 a partnership in which Con Edison will pay the city

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

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

2 channel surfed in, and want to know what's going on.
3 So, in a lot of what we're doing about trying to
4 improve our environment, we are using words like 80 x
5 50 where we want to reduce the amount of our
6 emissions by a certain percentage. However, in that
7 we omit what the basis is, what we're reducing from.
8 So, in my opening I said 2005. In your statement at
9 one point you said 2006. So, across everything in
10 both of your testimonies, is our base year for
11 comparison always 2005? Is it always 2006? How do
12 we know the base year?

13 DEPUTY COMMISSIONER FIORE: Thanks. So,
14 I'll try and clarify that. For Government
15 Operations, we measure from Fiscal Year 2006. For
16 private greenhouse gas emissions, it's from calendar
17 year 2005.

18 CHAIRPERSON KALLOS: Okay. So, for those
19 watching at home, when does Calendar Year 2005 start?
20 When does Fiscal Year 2006 start?

21 DEPUTY COMMISSIONER FIORE: Okay, so
22 Calendar Year 2005 starts on January 1st, 2005 and
23 Fiscal Year 2006, starts on July 1st of 2005.

24

25

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

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

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

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

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

2 Agreement released in September 17 pledges that DCAS
3 will "accelerate deep energy retrofits to achieve a
4 20% reduction in energy consumption in city-owned
5 buildings by 2025. So, what is the actual target for
6 reducing greenhouse gas emissions from city-owned
7 buildings by 2015? Which one?

8 DEPUTY COMMISSIONER FIORE: The target is
9 35% reduction in greenhouse gas emissions by 2025.
10 When we speak about the 20% reduction in energy
11 consumption for buildings most of the early gains we-
12 we achieved in emission reductions were the result of
13 a cleaner electric grid. So, electric generation
14 switching from being fueled by coal and oil to
15 natural gas and more removals. While the state is
16 still making progress on improving the carbon
17 intensity of the grid with its 50 x 30 goal, we don't
18 believe that that rate of reduction in the grid's
19 carbon intensity will continue at the same pace. So,
20 what we did is we said okay if we don't get any
21 further improvements in the carbon intensity of the
22 grid from 2016 going forward, what would we need to
23 do on the demand side of the equation in order to
24 meet our goals? And from that question, we derived
25 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

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

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

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

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

4 DEPUTY COMMISSIONER FIORE: So, we are on
5 track to meet the 35 by 25 goal that we—we have
6 achieved a 25% reduction. So, we've got to get to
7 35%. If you look at, you know, just average that
8 over the years that we've been working at this, it's
9 about 2% per year. If we stayed at that same pace,
10 we would exceed the 35% by 2025.

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

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

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

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

15 DEPUTY COMMISSIONER FIORE: Yes, we count
16 both.

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

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

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

15 CHAIRPERSON KALLOS: I have amazing
16 staff.

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

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

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

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

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

16 CHAIRPERSON KALLOS: So, speaking of an
17 example, Boulder, Colorado has been working towards
18 municipal energy for the last five years and this--
19 has-has New York City looked into opening or
20 operating it s own large scale generation plant
21 bigger than carports and microgrids to actually build
22 out-create our energy in-house. I-I know that I have
23 a steam plant on-on Roosevelt Island that we're not
24 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

17 DEPUTY COMMISSIONER FIORE: Yes.

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

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

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

24 CHAIRPERSON KALLOS: By when?

25 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

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

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

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

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

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

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

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

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

16 CHAIRPERSON KALLOS: Heat, light and
17 power at several trillion dollars, and that's for the
18 80 agencies in your portfolio. So, do you know what
19 the total megawattage used monthly by DCAS Managed
20 Properties is?

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

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

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

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

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

14 DEPUTY COMMISSIONER FIORE: Setback
15 timers for what?

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

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

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

2 in your building to 50 degrees to make sure the pipes
3 don't freeze and if the first person gets in at 9:00
4 a.m., we're going to have the building start heating
5 itself at 8:00 a.m. to hit the optimal temperature by
6 9:00 a.m., stay constantly cooled and at 5:00 p.m. or
7 7:00 p.m. whatever the last time you had people in
8 the hours our default is going to be 7:00 p.m. it-it
9 starts degrading back down to 50. Are you--do you
10 have the authority to do that?

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

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

18 DEPUTY COMMISSIONER FIORE: Yes.

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

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

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

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

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

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

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

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

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

10 CHAIRPERSON KALLOS: Yes.

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

2 other measures that wouldn't typically be funded
3 through our Competitive Grant Program because of-of
4 poor metrics like payback and-and those are things
5 that have to do with building envelopes. We know
6 that they are foundational conservation measures that
7 need to be undertaken in order to achieve the
8 carbon reductions that we're mandated to-to make, and
9 so the energy conservation measures fall into those
10 two broad categories. We put out requests for
11 information to all our partner agencies saying which
12 of your buildings do these measures need to be done
13 in? We've gotten those responses back. We are
14 reviewing those responses, but we've so far have-have
15 requests for energy conservation measures in over
16 2,500 buildings. What we will do now is go out and
17 scope those projects, and cost estimate them, and
18 then work with our agency partners to aggregate the
19 projects and prioritize them across the portfolio so
20 that we can do projects across agencies. So, it's
21 not-it's not just doing a lighting project in a
22 firehouse, and maybe doing a lighting project in the
23 hospital. It's saying okay if it's a lighting
24 project across all agencies, what buildings do this-

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

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

9 DEPUTY COMMISSIONER FIORE: Yes.

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

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

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

6 CHAIRPERSON KALLOS: You—you had me at
7 pre-populated. You can do me a favor and make sure
8 the Mayor's Office knows that you're doing this. I'm
9 working on a bill called Introduction 855, which
10 seeks to send Human Service Benefits Applications to
11 people pre-populated, and if you could put in a good
12 word with the Mayor that handing somebody a pre-
13 populated document is a lot easier than asking
14 somebody to fill out that document from scratch.
15 Sorry for that sidebar. I—you—you—I appreciate the—
16 the honesty and transparency and straightforwardness.
17 I am concerned by the—by your sharing that you're not
18 necessarily sure of all the capital programs
19 happening at the different agencies. So, we've put
20 \$2.7 billion at DCAS to do the retrofits based on
21 what you're sharing. I'm concerned that there's
22 other money that's being used for retrofit in a way
23 that may not actually be coordinated, and so if you
24 can help me with that concern.

2 DEPUTY COMMISSIONER FIORE: Sure. We
3 coordinate closely with all of our partner agencies.
4 We hold quarterly meetings with every agency. We go
5 over what our view of their energy use and emission
6 trends look like. We look at the status of projects
7 that—that they are doing and then we kind of workshop
8 what—what things can be funded in the future anything
9 from training to personnel to additional energy
10 efficiency projects to data acquisition. Whatever
11 may be helpful in reducing that agency's emissions
12 further. So, we are very closely coordinated with on
13 that. What—what we don't have perfect insight into
14 today is capital plans by agencies to do something
15 totally unrelated to—to energies. What—what we then
16 do is say, okay, if that project comes into say TBC
17 for a capital construction project, we work with
18 DDC's upfront planning unit to identify if there are
19 energy components to that project, and we capture it
20 that way. The other thing that we are doing now with
21 \$1.5 is we've asked every agency to review their
22 Capital Plan, and—and tell us where that puts them on
23 a trajectory towards meeting the greenhouse gas
24 emission reduction goals, and if it's going up, what

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

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

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

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

22 DEPUTY COMMISSIONER FIORE: Those are
23 city employees.

24 CHAIRPERSON KALLOS: How--who is the
25 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

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

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

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

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

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

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

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

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

2 appreciate your partnership on that. We'll see if
3 anyone is—we'll see it back after we Tweet it. So,
4 along these lines you're—you're talking about an
5 enormous amount of work, \$2.7 billion. Who is going
6 to be doing that work? Is it going to be city
7 employees? Are those city employees going to be
8 civil servants? Are they going to be provisionals?
9 Are they going to be consultants? If it's
10 consultants, will there be labor standards? How—how—
11 how are we going to—how are we spending this money,
12 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

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

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

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

23 DEPUTY COMMISSIONER FIORE: That would be
24 a resounding no.

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

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

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

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

11 DEPUTY COMMISSIONER FIORE: Yes,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 CHAIRPERSON KALLOS: Would you ask the
8 Mayor when he—you made this announcement so could—
9 could—could t he Mayor or could DCAS enlighten us on
10 the goa, whether it upsets me by being after 2021, in
11 which case I'm concerned that that's setting a goal
12 for somebody else, but if we can have at least a goal
13 so that we can hold somebody accountable for this
14 accounting by the Paris Agreement.

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

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

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

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

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

22 DEPUTY COMMISSIONER FIORE: DCAS.

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

2 pride in our local paper, but—so the Mayor's
3 Management Report comes out every year. There's only
4 41 copies in existence. We're hoping to have more,
5 but you can view it at nyc.gov/mmr. You can watch
6 monthly updates at the nyc.gov/cpr. So, in the MMR,
7 and I believe you have a copy of the DCAS section.
8 For those following at home, that's page 331. You
9 can download it again at NYC.gov/mmr. There's a
10 dropdown where you can select the Department of
11 Citywide Administrative Services, DCAS. Why were
12 there no solar panels installed in Fiscal Year 2017?

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

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

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

6 DEPUTY COMMISSIONER FIORE: So, we have
7 an existing contract awarded before we took that
8 pause. The projects that are mentioned there are
9 part of that previous solicitation, and that—that is
10 for 88 different sites for approximately 30 megawatts
11 of solar that we expect to be completed by the end of
12 2019.

13 CHAIRPERSON KALLOS: [pause] And I—along
14 those same lines, are you planning to increase the
15 amount of solar to make up for not having done any in
16 20—Fiscal Year 2017?

17 DEPUTY COMMISSIONER FIORE: We have a
18 very aggressive goal to reach, and that's the 100
19 megawatt goal, and what--we plan on achieving that
20 goal. So, as soon as we resolve the policy question
21 of including project labor agreements in power
22 purchase agreements, we are ready to move forward.
23 We have also in the interim looked to get a contract
24 with the National Renewable Energy Laboratory, and so
25

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

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

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

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

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

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

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

9 DEPUTY COMMISSIONER FIORE: Absolutely.

10 CHAIRPERSON KALLOS: Okay. Still in the
11 MMR why is the 80—let's take a step back. So, the
12 Mayor's Management Report is this great document.
13 It's over 400 pages long, and there's some sections
14 that are just devoted to an agency like Department of
15 Citywide Administrative Services, which admittedly
16 has not done justice with how big an agency you are,
17 with a couple you get. But there's some sections,
18 which kind of relate to a lot of the work you've been
19 talking about today because almost every single one
20 of your answers has said: DCAS is doing this, but
21 we're doing it with another agency. And so, for
22 multi-agency programs there's a section in the MMR.
23 It's actually the—the front section as it were, and I
24 guess the question is why isn't a lot of the work
25 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?

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

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

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

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

20 [pause]

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

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

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

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

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

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

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

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

10 DEPUTY COMMISSIONER FIORE: January.

11 CHAIRPERSON KALLOS: Okay, so Fiscal Year
12 18 started on July 1, 2017.

13 DEPUTY COMMISSIONER FIORE: Uh-hm.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 DEPUTY COMMISSIONER KERMAN: Well, the
14 base that we were talking about is actually 2,100
15 vehicles. So, that is governed by the law. So, we
16 did the first 42, which is the 2% and now we're doing
17 I believe it is 116. So, we will be fully compliant.
18 If you add—if you add those up it's 118, so it's 2%,
19 2%, 2%, 2% and 1%, 9% in total, but the base is 2,100
20 vehicles. So, I have my calculator in front of me,
21 but that will be 160 vehicles in the first two years,
22 and it would be a 4% requirement. So, I think we are
23 along the lines of where we need to be.

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

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

7 DEPUTY COMMISSIONER KERMAN: In most
8 cases they're replacements. If there is an approved
9 program that's in addition that the Council and the
10 Administration approved, and it involved sedans,
11 those would be electric. Here's what I can tell you:
12 Ever single sedan we buy except for the Police
13 Department is now going to have a plug in it, and
14 that has already been the case for the last year. It
15 will continue to be the case. To be honest, we will
16 over—we should exceed the 2,000 rate. We have a
17 1,040 electric vehicles now, mostly sedans. Not all
18 sedans, but it's certainly in sedans where you have
19 the most robust electric vehicles market. We already
20 have another 150 on order. That number will go up.
21 Most of the expense orders tend to come in really in
22 January for light duty cars. And so, you know, what
23 we are doing is every single non-emergency, non-
24 really non-policing sedan is going to be an electric
25 car moving forward period.

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

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

2 well, but about two-thirds of that is capital and
3 about one-third is expense. The way the rules work
4 for us, you know, really is about capital
5 eligibility. So, fundamentally anything under
6 \$35,000 in all light duty vehicles period
7 irrespective of costs have to be bottom expensed.
8 So, we cannot buy a sedan or an SUV on the Capital
9 Budget period. It doesn't matter if the sedan for
10 some reason costs \$50,000, we still could not buy a
11 passenger car using the bonded budget. We can only
12 use the expense budget essentially for sedans, SUVs,
13 and mini-vans. It also covers small pickup trucks,
14 but we don't—we don't operate too many of those.
15 Then the trucking fleet, the—the Class 2 and above
16 fleet, which is basically pickups and vans and then
17 all your city trucks, ambulances fire equipment, SUV
18 trucks is all on the Capital Budget. We're going to
19 have--

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

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

7 DEPUTY COMMISSIONER KERMAN: Sure.

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

16 DEPUTY COMMISSIONER KERMAN: Okay, sure.

17 So, first off, you know, one thing that we have done,
18 you know, we have expanded the mileage. We have not
19 expanded the fleet commensurately. So, we have in
20 total the whole city fleet about a 14% increase in
21 total utilization. So, that's the gap between the
22 increase in miles and the increase in fleet, which is
23 actually less. So, that's number one. We are
24 utilizing the existing fleet more as we cover
25 additional programs and additional investment in city

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

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

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

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

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

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

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

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

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

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

9 DEPUTY COMMISSIONER FIORE: Public
10 transport.

11 CHAIRPERSON KALLOS: Me, too.

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

15 CHAIRPERSON KALLOS: [interposing] Are
16 you a constituent?

17 DEPUTY COMMISSIONER KERMAN: Um, 520 East
18 72nd Street. You're next to our building. [laughs]

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

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

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

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

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

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

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

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

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

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

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

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

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

1 very quickly. Fuel. There is an agency called the
2 Business Integrity Commission. They were created in
3 response to organized crime in the private carting
4 industry. They did a study where they found that—and
5 people have I believe gone to jail for this, where
6 they found that fuel delivery trucks were showing up
7 at—amongst them both non-profit but mainly city
8 buildings both state and city, but a lot of city, and
9 were charging the city for let's say 2,000 gallons of
10 heating oil while only providing the city with a
11 1,000 or 500, and are you aware of this problem? Are
12 you aware of this case? Have you been in touch with
13 Business Integrity Commission? Are our numbers
14 perhaps inflated or deflated as a result of this?
15 Has DCAS recovered funds from this to the Heat, Light
16 and Power Budget? What has been the impact of this
17 whole controversy?
18

19 DEPUTY COMMISSIONER FIORE: So, DCAS
20 doesn't fund the fuel oil through the Heat, Light and
21 Power Budget, and it's not central—centrally procured
22 by DCAS now. It's procured by each of the agencies.
23 I—I believe that—I didn't know of the investigation,
24 and we think there is some merit trying to centralize
25

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

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

15 CHAIRPERSON KALLOS: To the MMR, Goal 6-
16 A, for the Indicator Hybrid or alternative Fuel
17 vehicles in the DCAS managed fleet the actual fiscal
18 year 2017 and set targeted Fiscal Year 18 is flat ad
19 76% while the desired direction is up. In your
20 testimony, you've indicated that you have knowledge
21 that we will actually be increasing. So, can you
22 explain this discrepancy? Does this mean because the
23 hybrid goal was obtained that the city will no longer
24 purchase hybrid vehicles?

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

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

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

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

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

2 Police Department, is the Police Response Units and
3 we are, and I mentioned in my testimony the majority
4 of police response units are not alternative fuel at
5 the moment but, you know, Ford just made a public
6 announcement of the first what's called pursuit rated
7 interceptor, the pursuit rated police car as a
8 hybrid. We will be testing that in Calendar Year
9 2018. A large percentage of our police vehicles now
10 are Ford Interceptors. So, if that is successful, I
11 think that will allow us to really bridge the main
12 remaining gap, which is to implement a hybrid
13 alternative for policing vehicles.

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

17 DEPUTY COMMISSIONER KERMAN: Yes.

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

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

3 Are you intending to-

4 DEPUTY COMMISSIONER KERMAN: The issue on
5 that particular--

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

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

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

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

15 CHAIRPERSON KALLOS: It says so.

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

25

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

12 DEPUTY COMMISSIONER KERMAN: As a note
13 we—we—it is noted in the—there is actually a note
14 section of the MMR, and I believe that is noted in
15 the—but we'll—we'll take a look at how to better
16 present that, but we're at 100%. We want to stay at
17 100%, but the 95 actually came from the law.

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

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

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

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

13 CHAIRPERSON KALLOS: [off mic]

14 ALEX GLEASON: Okay, quick. You got it.
15 Good? Good morning or good afternoon. My name is
16 Alex Gleason, and I'm the Policy Associate at the New
17 York City Central Labor Council, AFLCIO representing
18 1.3 million workers across 300 affiliated unions.
19 The Central Labor Council has collaborated with our
20 affiliated unions, environmental justice
21 organizations and community groups to address the
22 dual crises of climate change and income inequality.
23 Our Coalition Climate Works for All has worked since
24 2014 to propose proactive policies aimed at making
25 the city more environmentally resilient as well as

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

2 private sector. In the future, vital upgrades will
3 be necessary for buildings to efficiently operate,
4 but if we are thinking how those upgrades contribute
5 to emissions and placing a cap on them, it will serve
6 as both good public policy and a smart long-run
7 investment. Savings on energy can be reinvested back
8 into the building workforce, and most green upgrades
9 eventually pay for themselves. The city government
10 can use public building efficiency standards as a
11 model for the rest of the city. It is essential for
12 the city to have a concise plan to upgrade the
13 building, the public building stock. Without that,
14 there are bound to be coordination failures,
15 inefficiency and mass of opportunity costs. A smart
16 coordinated plan could transform an important, but
17 otherwise solid approach into a systemic
18 transformation of our public infrastructure to the
19 benefit of our neighborhoods and workforce. The
20 Central Labor Council and Climate Works for All are
21 prepared to help the Council and the city continue to
22 achieve its emissions reductions goals and forge
23 pathways to well paying careers. Thank you for your
24 time and consideration, and I'm happy to take any
25 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

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

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

18 ALEX GLEASON: Yep.

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

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

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

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

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

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

1 COMMITTEE ON GOVERNMENTAL OPERATIONS

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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