



A Sustainability Report for Member Communities

July 1, 2020

An Energy Leader Supporting Member Communities
with Sustainable Action Plans

A Sustainable Cities Platform

For NOPEC Communities

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NOPEC: An Energy Leader

As this nation's largest government aggregator, the Northeast Ohio Public Energy Council (NOPEC), has been a leading innovator in coalitions solving problems in the energy economy for over 20 years. As a nonprofit council of governments, we currently serve over 240-member communities in 19 Ohio counties, and source energy for over 950,000 gas and electric utility residential and small business accounts. We also provide member communities a variety of benefit programs to enhance the lives of their residents and the vitality of their businesses by providing resources for small commercial entities and municipalities to reduce their overall carbon footprint and lower their energy costs.

NOPEC Mission

NOPEC's mission is simple -- we exist to serve our communities and our customers. To operationalize that mission, NOPEC identifies three components: we aggregate, educate and advocate for our members. We negotiate for lower energy rates and better terms and conditions. We educate consumers on how they can conserve energy and save even more on their energy bills. And we advocate for consumer-friendly energy legislation at both the state and federal level. The impact we have on a sustainable Ohio align with our overall mission, as do the offerings we provide our member communities:

- 1) **Aggregate** - We strive to support clean and renewable energy resources in our electric aggregation.
- 2) **Educate** - We *educate* our community officials, residents and businesses on ways to reduce their carbon footprint.
- 3) **Advocate** - We *advocate* for legislation and administration of Ohio's utilities to make it even easier and more affordable to be sustainable.

Our journey towards Sustainable Stewardship began nearly 20 years ago with independent program initiatives to support our communities in cost-savings. Today, we integrate to support them in impacting their specific sustainability agendas. NOPEC does not have a collective goal on achieving a greener or carbon-neutral community. Instead, as a council of governments, our team meets each community where they are at on their journey and support them in accomplishing their individual goals.

Our Member Communities – The City & Regional Landscape

To meet the needs of their residents and businesses, cities, villages and townships strive to find workable solutions and affordable resources in a challenging environment. Public servants must respond to all aspects of providing service, maintaining a secure environment, upholding the right to quiet enjoyment of property, meeting public health needs, and enabling prosperity through economic development. But there is budding recognition that the energy equation touches many aspects of affordability, social equity and public stewardship to maintain our natural resources.

Whether serving a large populous or a small suburb, village or township, officials desire a balanced approach to sustainable action plans, in concert with other societal needs, such as better housing, or improved transportation and infrastructure. Adapting to constantly changing federal and state-level legislative and regulatory actions, NOPEC supports continuous improvement goals that point us in the right direction.

The NOPEC Story

Despite these challenges, governments in Ohio recognize that working solutions on environmental stewardship and social welfare is integral to their political agenda. Although support to mitigate climate change has dissipated at the federal and state level recently, cities, states and businesses have responded to the call to act on their own accord to address carbon drawdown and environmental mitigation. Major cities in Ohio, including Cleveland, Columbus and Cincinnati, have joined the American Cities Climate Challenge to plan for an accelerated response to meet science-based carbon mitigation strategies. The city of Cleveland, our largest member community, remains committed to an aggressive sustainability agenda, and many surrounding NEO municipalities share the sentiment that business as usual is no longer good enough.

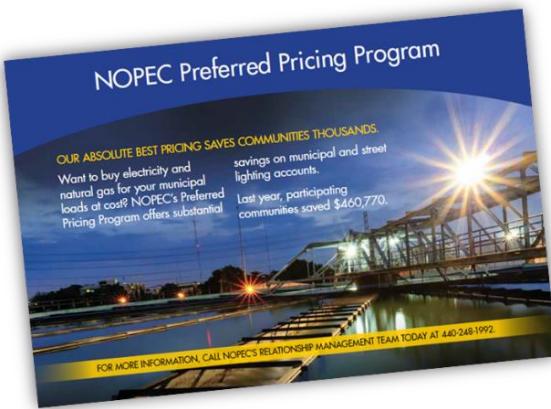
As a council of governments, NOPEC is uniquely positioned to support our member communities with attaining their aspirational goals. By combining our organizational efforts with the power of numbers, together we work to design and implement customized policies and action plans for deeper energy and carbon savings by engaging households, community leaders, regulators and businesses.

Addressing Sustainability - Catalyzing Action Today

NOPEC members enjoy access to several action-based programs that can be implemented easily, affordably and immediately:

- **Leading the Way** – NOPEC became an EnergyStar Partner in 2019 and is poised to help member communities create their own Sustainability Roadmap with a focus on energy conservation. Community leaders and businesses can follow the guidelines expertly crafted by the EnergyStar program and shared through our website. Any organization's sustainable agenda can be customized with these tools designed to assist with short-term Sustainability initiatives as well as action plans that help achieve long-term goals.
- **Incentivize and Implement** – NOPEC has a long history of using the power of our aggregation to negotiate opportunities for NOPEC member communities to receive energy efficiency grant opportunities. To date, NOPEC has provided its members with nearly \$40 million in such funding. With the support of our General Assembly and Board of Directors, we continue to fund and administrate our NOPEC Energized Community (NEC) Grant Program which provides financial resources for communities to identify, qualify and implement energy-efficiency projects and energy saving measures in their municipalities. Below are some of the cost-saving measures that were made possible through the NEC Grant Program over the past several years.





Reduce Municipal Energy Costs through the Preferred Pricing Program

Member communities can enroll in NOPEC's Preferred Pricing Program for their gas and electric accounts for at-cost supply for their municipal loads. As part of this program, and in cooperation with NextEra, member communities can opt-in to a 100% renewable content electric product option wherein NOPEC purchases and retires renewable energy credits (RECs) created by wind or solar energy projects located in North America, for 100% of the usage as a carbon offset.

In response to requests from our members, NOPEC's residential and small business customers can also choose to enroll in an electric product option that provides RECs created by wind or solar energy projects located in North America, for 100% of the customer's electricity usage.



Advocate for Change

Communities have the collective power to influence how utilities operate by engaging the regulatory bodies that create and enforce the rules. NOPEC has access and speaks the language of the PUCO and utility regulators. We have experience managing complex stakeholder processes and have shown that strong coalitions can bring about workable policy – and change, when needed. NOPEC members have the collective clout to be a powerful catalyst for Ohio's sustainability action plans, in concert with other large cities such as Columbus, Dayton and Cincinnati, and work together on the major challenges. This includes working with partner agencies, interested stakeholders and the Ohio legislature to inculcate a holistic view of what's best for our Ohio's energy future. NOPEC will continue to be an active advocate in shaping the state's energy policies in order to:

- maintain robust and fair deregulated retail energy markets in Ohio;
- ensure competitive, diverse and resilient generation;
- restore impactful renewable energy standards;
- eliminating guaranteed recovery of revenues for electric utilities regardless of weather or economic conditions affecting customer usage;
- and support policies that are fair to all Ohio utility consumers – including reversing the longstanding policy of allowing utilities to keep collected funds from charges ultimately determined unlawful by the Ohio Supreme Court without refunds, and strengthening the Ohio consumer counsel's office to protect Ohio residential consumers.

We also collaborate with state regulators to solve infrastructure challenges such as grid modernization and development of new energy resources as traditional sources are retired. We work to provide awareness of demand side strategies that modify when we use electricity, not just reduce it, to minimize capacity constraints and requirements to build additional infrastructure in our state.

Support Development of Renewable Sources

Since 2017, NextEra has contributed more than \$42 million from NOPEC's aggregation programs into the EarthEra Trust to support the development of renewable energy projects.

The electricity provided by NextEra Energy Services Ohio, LLC to the NOPEC electric aggregation for the Standard Program Price and Monthly Variable Rate products includes EarthEra® Renewable Energy Credits (RECs) equal to 200% of the quantity of RECs required by the Ohio Renewable Portfolio Standard (RPS). EarthEra® RECs are national voluntary RECs created by wind or solar energy projects located in North America. The EarthEra® program was established by NextEra's affiliate, NextEra Energy Resources, to support the development and construction of new wind and solar energy projects in North America.

**More than 7.49 million RECs were retired on
NOPEC's behalf from 2017-2019**

Promote Energy Savings Tools



In 2019, NOPEC became an ENERGY STAR® Partner and created the [Energy Savings Roadmap](#) a step-by-step guide to developing and implementing energy efficiency and renewable energy policies. This

roadmap provides valuable information on how to take the first steps on employee and community engagement, benchmarking, and setting goals. A prospectus and tips can be found on our blog series "Sustainable Communities for a Brighter Future" to provide information for communities on how to become more sustainable, and will feature well-known sustainability contributors in the future.



Residential Energy-Efficiency Tips and Tools

To support residents and businesses in reducing their energy usage and saving money on energy-related costs, NOPEC employs a full-time, two person Community Outreach team that spends time in member communities visiting senior centers, libraries, and community events to talk with residents about energy and how to save on their utility bills. On our website, www.nopec.org, we also provide practical tips on how to save on energy, sign-up consumers for our free monthly Energy Connection e-newsletter, and provide user-friendly money-saving home-maintenance reminder tools.

Supporting Investment & Economic Development

NOPEC realizes that with limited capital resources, communities and businesses struggle when making major financing decisions because they simply cannot afford it. NOPEC has developed two very successful programs with local development agencies and in cooperation with the federal government to support their capital improvement plans.

STEP (Savings Through Efficiency Program)

Financing for \$5,000 to \$100,000

For commercial property owners with smaller energy-efficiency and renewable energy projects, the STEP Loan program offers a 3% interest rate.

PACE (Property Assessed Clean Energy)

Financing for \$100,000 - \$500,000

PACE is a mechanism that allows a commercial property owner to finance energy efficiency and renewable energy improvement projects through assessments on their real property tax bills with interest rates as low as 3.5%.

The Next Step - Building the Future Collaborative

Today's Leaders Program

NOPEC has organized a Sustainability task force made up of communities who have identified themselves as being green and supporting clean energy. We are committed to supporting these communities to promote higher utilization of resources and reduce energy dependency. NOPEC communities will also be supported by educational sessions for administrators and building and zoning officials at the county or city level and offer collaborative forums so that we can share ideas and learn from one another.

Developing Market Demand

NOPEC will work with federal agencies and partners to create the demand for technology innovation, that will reduce our dependency on fossil fuels. We plan to partner with other leading companies to highlight their achievements in Ohio through case studies of innovation in our own communities in order to create local learning resources. We will also partner with state agencies and local Chambers of Commerce to utilize existing programs.

Tomorrow's Innovators Program

NOPEC is the exclusive NEO partner of the Ohio Energy Project whose mission is to inspire leadership and energy innovation in Ohio students and teachers. NOPEC sponsors programs for schools in our footprint designed to spark curiosity about energy and help teachers nurture the next generation of innovators in the energy economy.



Join the Movement. Become a NOPEC Member.

Join us in supporting Ohio in its efforts to combat climate change, support businesses through economic development, and join a forum for collaboration with other communities to maintain an affordable energy and utility landscape.

For more information, please contact our offices at 440.439.2992 and to speak with our Leadership Team.

