



“Smart City, Smart Savings”: The New Bedford Approach

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[remarks as prepared]

I want to thank the Smart Cities Council for this opportunity to talk about the approach New Bedford has adopted as a “Smart City” intent on finding “Smart Savings.”

Our “Smart City” strategy is simple: We have chosen very consciously to position ourselves to take advantage of fundamental changes taking place in how modern economies create and use energy. As the largest and most widely known port in Massachusetts outside of Boston, we have come to see a special role for ourselves as the world turns to renewable energy and a more sustainable future.

We have embraced green energy like few other places in America. And, as a result, New Bedford is today emerging as an epicenter of the green economy nationally.

The first thing to know about New Bedford is that we are the Saudi Arabia of wind energy. Fully 25% of the nation’s wind reserves lie in an area just south of Martha’s Vineyard and we are the closest industrial port.

So it ought not to be a surprise anyone that New Bedford is first in the offshore wind energy industry. The nation's first specialized offshore wind staging facility, the New Bedford Marine Commerce Terminal, will be completed later this year. The \$100 million Terminal will be used to stage the nation's first wind project, Cape Wind, beginning in the Spring of next year.

Now here is the part that may surprise you...We are also first in solar energy.

New Bedford has the most installed solar per capita in the continental United States. Only Honolulu has more solar installed per capita. On the East Coast, only New York has installed more solar in absolute terms.

Ten solar projects across the City will shave \$22 million off city government's electricity bills over next twenty years. New Bedford spends \$6-7 million per year on electricity, so the combined savings from all our solar projects will deliver big long-term benefits to taxpayers. The City's green energy plans call for two-thirds of our power to be derived from solar, and we are already nearing that mark.

But the focus on solar is not just about savings. There are the "green" benefits.

Always looking for opportunities to turn environmental liabilities into assets, we located two of our solar projects on brownfields. One project, Sullivan's Ledge, was once one of the most high-profile Superfund hazardous waste sites in the nation. Two weeks ago, EPA Administrator Gina McCarthy visited the project and declared it a model for the rest of the nation.

And, of course, as a coastal city threatened by rising sea levels, our solar program is our small contribution to the global effort to fight climate change.

Then there are the economic and job-creation benefits. The Wall Street Journal blog recently reported New Bedford's unemployment rate fell the most of all 372 metropolitan areas nationally on a year-over-year basis. As welcome news as that may be, with unemployment still elevated, every job we create matters. So when Beaumont Solar, a local business success story, took on the job of installing solar panels at Sullivan's Ledge and other city solar projects, we chipped away at our unemployment rate yet again by putting a dozen local residents to work.

There is a common theme and purpose to our aggressive pursuit of leadership positions on solar and wind. The goal is this: Establish New Bedford in the eyes of the wider world as a leader that other communities ought to emulate, rather than as just another medium-sized Northeast industrial city struggling to catch up in a post-industrial economy.

For our community, this kind of ambitious approach is actually something very familiar. Throughout its history New Bedford has been a very ambitious place.

As you know from Herman Melville, we were once the epicenter of 19th century whaling industry, and for a time, the richest community in America per capita. Today we are the number one commercial fishing port in the nation, and we have held that title for more than a decade.

So our effort to position ourselves as a center of green energy starts with solar and wind power, but it doesn't end there. We also want to be a national model for the responsible use of energy and resources.

For example, the City of New Bedford owns and operates close to 100 buildings. Our roughly two dozen schools, as a group, are the oldest of any community in Massachusetts.

That is why we recently partnered with Siemens in one the largest municipal performance contracting initiatives anywhere in the Northeast. Our partnership will bring \$50 million in energy efficiency retrofits to our municipal buildings in just the next five years.

We are off to a solid start with Siemens this Fall, having just about completed the replacement of all 10,000 street lights with energy efficient L.E.D's.

When we complete our work with Siemens-- perhaps a decade from now--our stock of 100 city buildings will still be there, but they will have new windows and boilers, and cooling systems. These investments will extend the lifespan of our buildings decades into the future. And that is a lot cheaper than knocking them down and building new ones.

As I mentioned earlier, the New Bedford approach to being a Smart City is to find ways to turn our environmental challenges and liabilities into green assets. Trash is a good example. We are taking a hard look at waste-to-energy opportunities. At our landfill we just launched an anaerobic digester to turn methane into electricity.

The limited space remaining in our landfill also forced us to get smarter on trash collection. That's why we signed a ten-year \$50 million contract that automates our curbside trash and recycling collection. New automated trash trucks hit the road this summer.

The result: A dramatically increased recycling rate and a reduction in solid waste. In August our curbside recycling was up 102% from August 2013. Our solid waste tonnage was down 32% from a year before. And, by the way, the new trash trucks run on compressed natural gas which produces 22% fewer emissions and 90% less particulates.

Speaking of vehicles, our 300-vehicle fleet is slowly going electric. With the help of state grants, we are installing charging stations and acquiring electric cars for our health and building inspectors. Our police department may even get an electric motorcycle. (But not for the Chief.)

As important, we installed electric charging stations in our public parking garages and allowed anyone to fill their batteries for free to help promote the technology.

So what is behind our success in making New Bedford an emerging center of the green economy? I think there are three elements to our success—

First, we organized city government for the job.

For example, the City used some of its federal fiscal stimulus to seed a small Energy Office. Under my Administration we empowered the Energy Office and boosted funding. This effort gave us the in-house technical and policy expertise that made the City a good fit for our private sector partners like Siemens, BlueWave Capital, SunEdison, and ConEdison.

Second, we made a serious, sustained political commitment.

We made green energy a policy priority throughout city government and in our community. We tapped into a local culture and history that isn't afraid of big, bold endeavors. We stayed focused on the long-term and avoided the temptation of easy, short-term wins. In all this, the key has been persuading the City's public and private leadership, along with everyday citizens, that these efforts may take time, but they will have big payoffs down the road.

Third, we brought in financial and management expertise.

We hired the city's first Chief Financial Officer in seven years, a seasoned professional from a high-growth county in Virginia. This infusion of talent was critical to finding innovative ways to navigate around our fiscal realities--and do more, with less.

The challenge for places like New Bedford is always "how to afford a new initiative when the city is so fiscally strapped?" The answer: Put a lot of brainpower on the problem and get creative.

The solar program is good example. \$60 million worth of solar construction is financed, built, and operated entirely by private parties. The City only acts as customer for the power.

Our Siemens “ESCO” contract is another example. With Siemens’ help we are financing our building renovations through projected savings and utility rebates. Anytime we can pursue our Smart goals despite our financial limitations, it’s a no-brainer from the City’s perspective.

The sensibility of our approach is being validated as others take notice. As a result of these smart financial moves and others, New Bedford was recently upgraded by Wall Street and now enjoys the highest bond rating in our modern history.

That is not to say that achieving our green energy goals has been easy. It has been difficult and will continue to be so. But New Bedford’s response to larger changes in our global economy is the same as Smart Cities everywhere: Rather than sit by passively, we are taking our future into our own hands and proactively developing solutions, while welcoming federal, state, and private partners whenever and wherever we can enlist them.

Going green is not easy, but it is proving to be a very smart choice for New Bedford.

Thank you.