**SEU Advisory Board Meeting**

**Minutes 10/9/18**

**Call to Order**

Chair Corman called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) to order at 10:15 AM, October 9, 2018 at the Department of Energy & Environment (DOEE), 1200 First St., NE, Washington, DC.

**Roll Call/Introductions**

Roll call was taken and the following people were in attendance:

**Board Members;** Bicky Corman, Millie Knowlton, Adrienne Mouton-Henderson (proxy for Sandra Mattavous-Frye)

**Board Members on the Phone:** John Mizroch, Richard Graves, Betty Ann Kane, Dr. Donna Cooper, Scott Williamson, Farrah Saint-Surin, Nicole Steele, Kirsten Williams

**Absent Board members:** Nina Dodge, Sean Skulley

**Other Attendee:** Taresa Lawrence (Deputy Director, DOEE); Lance Loncke (Associate Director, DOEE); Hussain Karim (Assistant General Counsel, DOEE); Lynora Hall (Staff Assistant, DOEE); Marcus Walker (Director of Operations, DCSEU); Yohanes Mariam, (OPC); Alissa Waters (DOEE-OCFO), Mansi Talwar, (DCSEU); Vilma Castro (ODCA)

***Approval of Agenda***

The motion to approve the agenda was made by Ms. Millie Knowlton, seconded by Ms. Adrienne Mouton-Henderson and unanimously approved by the Board.

***Open Discussion***

Chair Bicky Corman acknowledged the hearing taking place that morning at DC Council regarding the Clean Energy Omnibus Bill, and suggested rescheduling meetings in the future when there are conflicts, to accommodate Board members who may want to testify at Council hearings. She also noted possible implications for the DCSEU regarding the Sustainable Energy Trust Fund (SETF) and requested a summary of the Bill. Another hearing on the bill is scheduled for October 29, 2018 and the Board may want to testify. Dr. Lawrence said in terms of the by-laws, the SEUAB Chair can speak on behalf of the Board.

Mr. Hussain Karim provided a summary of the bill. He said the bill raises the Surcharge for both electric and gas. It triples the gas surcharge and that is a permanent increase, which provides another $8 million dollars. The electric surcharge is raised as well but that it is initially raised two years then declines by 2032, then goes backs to what to what it is today, so it is not a permanent increase. So it is estimated that an additional $40-$45 million will be collected, on top of the $22 million that is collected right now. The law specifies the amount of funds for the Green Bank each year. It also sets aside 20% of the collection for low-income programs. The legislation has something called the Building Efficiency Performance Standard and it allocated money for DOEE to provide incentives for those programs. Mr. Scott Williamson said that was an accurate description of the changes the city has of the SETF. Mr. Karim said that the proposed legislation also eliminates the minimum spend on each fuel type for the DCSEU. Right now at least 75% of the gas fuel and electric must be spent on those programs supporting those two fuel types.

Chairman Corman asked Board members to provide an overview of the testimony they were planning to present at the hearing on behalf of their organizations, which included Dr. Donna Cooper, Kirsten Williams, Scott Williamson, Chairman Kane and Adrienne Henderson.

Chairman Corman asked about the previous request to have a recurring item on the agenda of the DCSEU talking about obstacles that they encountered. Dr. Lawrence said she conveyed this request to Mr. Ted Trabue but because of the hearing he was unable to attend the Board meeting. Mr. Trabue will provide this information to the Board Chairman Corman said this will be put on the agenda moving forward. Chair Corman asked about the timing of the Board’s report, and referenced the draft Inspector General’s report that commented on the Advisory Board not submitting the report in on time. Dr. Loncke stated the annual report will be due December 29, 2018, which is 90 days after the EM&V report was finalized.

***II. Official Business***

***Review and Adoption of the September 11, 2018 Minutes***

The motion to approve the September 11, 2018 minutes as amended was made by Mr. John Mizroch, seconded by Ms. Millie Knowlton, and unanimously approved by the Board.

***Review & In Final EM&V Report (35:08)***

Dr. Loncke said the Board received a final draft of the EM&V Report, and the meeting folders included the marked-up version with the track changes. The clean copies are provided in email and in the Dropbox. Dr. Loncke said when the findings were initially presented to the Board, there were a couple of things the Board requested, so the evaluator went back and included a one page summary that is included in the front of the document. Page one shows the benchmarks with the maximum and minimum amounts of the benchmarks. The Board asked that we include comparison cities for the cost of energy saved so we took a look at PECO Energy and Baltimore Gas and Electric for comparison cities to include in the report. There was a request for peak demand usage with the District to compare with the DCSEU’s peak demand that we’ve included in the report. The final report also includes historical trends for the cost effectiveness screening over the years. There was also a request for a comparison of the largest energy users in FY17 versus the previous years. We went back all the way to 2013 and included numbers from 2014 to show you through 2017 on how the DCSEU performed.

DOEE was asked to provide a brief explanation as to why the benchmarks were not achieved for green jobs and low-income savings. The DCSEU provided that information for us and it is included it in the report. The Board can find these on pages 15 and 16 regarding reasons why the full targets were not hit. Dr. Loncke will provide the exact amount which was paid out in FY17.

***SEUAB Annual Report Update (40:18)***

Chairman Corman suggested a draft be provided to everyone. Then they should come prepared to talk about what we might do with their respect to sections. The schedule for completion by December was discussed. Ms. Knowlton mentioned having a working group before the next SEUAB meeting. Ms. Lynora Hall was asked to do a Doodle Poll to see what dates and times are available for the Board next week. Dr. Loncke provided a draft of the sections highlighted for the Board to complete. He also informed the Board that Mr. Jared Lang who was present was no longer on the SEUAB; he has been replaced by Ms. Farah Saint-Surin representing the low-income community.

Ms. Knowlton gave the suggestion of having someone assist with preparing the report. Chairman Corman agreed that it would be helpful, but considering the timeframe, she was not sure if they had enough time. Dr. Loncke said that is something DOEE would procure for the Board so if it’s done it needs to be decided on very quickly. Dr. Loncke also said that DOEE can help with formatting the document once everyone does their section. Chairman Corman said this should be discussed for the future.

Chairman Corman called on Mr. Scott Williamson to draft the section on Leveraging External Funds, and she provided an overview of the legislation and its inclusion in the contract to optimize what it is able to do with the money that it gets out of the SETF. She also mentioned PJM and those investments that had been made.

Chair Corman asked the Board to come up with ideas and recommendations before the next week’s meeting. She assigned herself the task to make recommendations. She also referenced an ongoing proceeding with the Public Utility Commission in Vermont regarding VEIC, and mentioned that the issues under consideration are things we have been talking about, including reduction targets for greenhouse gas emissions and a numeric requirement for peak demand reduction.

Mr. Jared Lang offered to speak regarding his organization’s low-income projects, and ability to interact with DCSEU, compared to previously. He said they are not able to get into retrofits. The Board will be able to see what the projects look like now and how the DCSEU is engaging with some of the housing developers. He can bring in some examples of some other partners. Since the new DCSEU contract was executed, they have done two projects and have three more. Generally, they are seeing that through the new approach, DCSEU is not able to do upgrades. The Board accepted Mr. Lang’s offer to present his experience at the November Board meeting.

With regard to other agenda items in November, Dr. Loncke indicated that DCSEU could provide information on their performance inFY18. Chairman Corman asked for a presentation by the DCSEU to be given on FY17 and FY18.

***Review of DCSEU Expenditures (1:1302)***

Dr. Loncke said through August, the DCSEU spent about $15.4 million and they have roughly $4 million that we are expecting to see in the September invoice that will be coming hopefully by the end of this week on the 12th. He provided the spending report, month over month, starting from October 2017 through August 2018. The incentives are those direct payments that go to residents and businesses, roughly about $5.6 million, and will probably be in the same ballpark at the end of the year. Typically the DCSEU spends somewhere between eight or nine million a year on incentives. The subcontractor line is $1.9 million, and we expect to see that pick up in the September billing. DCSEU is within the G&A limits of 20%. Dr. Loncke said he expects to see about $4 million on subcontractor spending. It is roughly $2 million. Mr. Marcus Walker stated that the DCSEU reallocated the budget on the residential side. Dr. Loncke said they will do a comparison of FY17 and FY18 for the next SEUAB meeting.

**General Updates**

**Old and New Matters**

* None

**Actions taken by the Board**

* Approval of September 11, 2018 meeting agenda
* Approval of September 11, 2018 meeting minutes

**Actions for the next Agenda**

* DCSEU Obstacles – Ted Trabue
* DCSEU Comparison of Expenditures - FY17 & FY18 – Lance Loncke
* DCSEU Comparison of Performance – FY17 & FY 18 – Ted Trabue.

**Adjournment**

* Chair Corman adjourned the meeting at 11:20 AM.

*Minutes prepared by: Lynora Hall*