**SEU Advisory Board Meeting**

**Minutes 9/11/2018**

**Call to Order**

Chair Corman called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) to order at 10:15 AM, September 11, 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, Sean Skulley, Betty Ann Kane, Sandra Mattavous-Frye, Marc Battle (proxy for Donna Cooper), Nina Dodge

**Board Members on the Phone:** Nicole Steele, John Mizroch, Millie Knowlton, Richard Graves, Kirsten Williams

**Absent Board members:** Jared Lang

**Other Attendees:** Taresa Lawrence (Deputy Director, DOEE); Lance Loncke (Associate Director, DOEE); Hussain Karim (Assistant General Counsel, DOEE); Lynora Hall (Staff Assistant, DOEE); Adrienne Henderson (Assistant People’s Counsel, OPC); Ted Trabue (Managing Director, DCSEU); Marcus Walker (Director of Operations, DCSEU); Angela Johnson (Director of Finance, DCSEU); Tamara Christopher (Financial Planning and Analysis Manager DCSEU); Ben Burdick (Marketing and Communications Manager, DCSEU); Patti Boyd (Senior Technology Strategist, DCSEU); Yohannes Miriam (Senior Economist, OPC); Patrice Brooks (Low Income Program Manager, DCSEU); Robert Kelsey, (DOEE); Drew Renzi, (DOEE); Alissa Waters, (DOEE), Marc Nielsen (DOEE), Anna Lising (DOEE); Bob Jose, (DOEE), Sheryl Dove, (DCSEU), Solome Girma, (DCSEU), Mansi Talwar, (DCSEU)

***Approval of Agenda***

The motion to approve the agenda was made by Chairman Betty Ann Kane, seconded by Ms. Sandra Mattavous-Frye and unanimously approved by the Board

***II. Official Business***

***Review and Adoption of the August 21, 2018 Minutes***

The motion to approve the August 21, 2018 minutes was made by Ms. Sandra Mattavous-Frye, seconded by Chairman Betty Ann Kane, and unanimously approved by the Board.

***Energy Efficiency in PJM Capacity Market***

Ms. Theresa Esterly presented an overview of PJM. The topics discussed by Ms. Esterly were:

How PJM secures capacity:

* PJM secures resources commitments to meet system peak 3 years in the future;
* PJM procures capacity on behalf of Low Serving Entity (LSE); and
* LSE opts out of RPM and procure its own capacity

***2012/22 Base Residential Auction***

Cleaning prices are shown for various entities such as:

* BGE $200
* EMACC $166
* PSE&G $204

***Action Credits are given yearly by PJM to Market Sellers***

* Energy Efficiency Resource Definition is to achieve a continuous reduction in electric energy consumption at the end-use customer’s retail site that is not reflected in the peak load forecast prepared for the auction.

***Eligibility Criteria for EE Installation***

* Re-installation must be scheduled for completion prior to delivery year; it is not reflected in peak load forecast; installation exceeds relevant standard at time of installation; it achieves load reduction during defined EE Performance Hours; and installation is not dispatchable.

***EE Resource Eligibility***

* EE Resources represents the installation of EE during a defined period of time from June 1 to May 31 in a zone or sub zone 1 LDA.
* EE Resource is eligible to be offered into RPM action.
* Only certain installation EE Resources are eligibility to offer into an RPM action and the minimum value of EE Resources must be 0.1 MW.

***Nominated EE Value & Capacity Performance Value***

* Nominated EE Value = average demand reductions during the EE Performance Hours in Delivery Year.
* Capacity Performance Value = lower of the expected average demand reductions during the EE Performance Hours and Winter Performance Hours.

***Delivery Year (DY) Post Installation M&V Report***

* Report of measurement activity
* Validate nominated EE Value
* Demonstration of Capacity Rights
* Report due 15 business days prior to DY
* Report is DY specific.
* Post installation M&V reports requirements described in PJM Manual 18B
* PI & M&V report template is available on PJM website

***Performance required for EE Resources***

* Must demonstrate committed Nominated EE Value/Capacity
* Subject to penalty charges if fail to demonstrate
* May be subject to post installation M&V Audit by PJM or independent third party.

The Board asked clarifying questions regarding DCSEU’s bid into PJM and Mr. Trabue and VEIC representatives explained their process.

***Assignments for Drafting SEUAB Annual (1:04:57)***

Chair Corman asked Dr. Taresa Lawrence to give the Board an update with the Office of the Inspector General’s (OIG) evaluation of DCSEU’s contract. Dr. Lawrence gave a brief overview of her discussion with the Office of the Inspector General by saying the intent of the evaluation was to determine whether the terms and conditions of the new multiyear contract were favorable to the District or conflicting with any best practices of the District, to assess whether the contract terms have been effectively implemented, and to review DOEE’s oversight of the contract. Dr. Lawrence said DOEE received the draft report and will provide responses to the recommendations. OIG requested limited circulation of the report at this time since it is still a draft report however, one of the recommendations was specific to the Board and actions the Chair of the Board should take regarding the timing of submission of the Board’s report, so that that recommendation was sent to the Chair for a response.

***Chairman Corman gave out assignments regarding the annual report:***

The EM&V Report will be attached to the Board’s report. Mr. Trabue agreed to serve as the DCSEU’s point of contact for questions the Board may have. He also reminded the Board they have DCSEU’s FY17 Annual Report for reference.

* Executive Summary – John Mizroch
* Natural Gas Consumption – Washington Gas
* Electricity Consumption – Pepco
* Increasing Renewable Energy Generating Capacity – Chairman Kane (PSC)
* Increasing Energy Efficiency of Low-Income Properties - Sandra Mattavous-Frye (OPC)
* Green Jobs – Nicole Steele
* Leveraging External Funds – TBD
* Reducing Growth in Peak Demand – Millie Knowlton
* Reducing Growth in Largest Energy Users – Kirsten Williams
* Innovation – Richard Graves
* Societal Cost Test & EM&V– Nina Dodge
* Going forward recommendations – Bicky Corman

CBE Requirements – TBD

The Board’s report is due ninety days after the EM&V Report has been finalized and transmitted to the Board. This is expected to occur before the end of September.

Sandra Mattavous-Frye recommended having a lay fact sheet as part of the final Board’s report that could be easily understood and disseminated to the public, members and constituents.

***DCSEU Program Update & Annual Plan (1:23:34)***

Mr. Ted Trabue said there were about twenty days left in the fiscal year. DCSEU is at the maximum goal for the electric savings, and for the gas savings, they have exceeded the minimum. They are hoping over the next twenty days to exceed the maximum.

* Renewable Energy – They are well over the maximum.
* Low-Income Savings – The numbers show they are at a minimum. The low-income spend is tied to the low-income savings so those numbers have not moved as of the previous readings. DCSEU is expected to close some projects over the next few weeks.
* Green Jobs – Green Jobs are tied to the contractors, and they are going out doing work on a lot of projects this month. The DCSEU will update the Board again in November.
* CBE Spend – A lot of this spend is tied up in the low-income projects so the number will come up quite a bit short. DCSEU will give the Board the findings in its next report.
* Workforce Development – Graduation will be in December 2018.

***FY2019 (1:35:16)***

Mr. Marcus Walker presented updates for the coming year FY2019 to the Board, and discussed Market Capabilities and Differentiators. He said they did a lot more CBE Spend in low-income, single family and solar, but they were not achieving the maximum saving goals. The new multi-year contract is requiring DCSEU to work with some of the largest energy users, manage customer relationships and to do things around technical assistance, attribution and to look for a more innovative way to get bigger and cheaper savings.

Electric and Gas Contract Performance Benchmarks

There are about 600 customers/contractors transactions who are working for DCSEU. Mr. Walker provided a breakout of the budget, including 20% on general administration. The FY2019 program or initiative shows how much would be spent on each program in FY2019.

* Commercial FY2019 Plan – DCSEU will continue to work with the largest energy users and work upstream on some of their rebate programs. DCSEU is working on attributions and pay for performance. A Memorandum of Understanding (MOU) will be signed.
* Refrigeration Controls Campaign – They are slightly a little more expensive.

DCSEU is looking to save more on the lighting.

Residential FY2019 Plan

DCSEU implemented the Income Qualified Efficiency (IQE) program where building owners and contractors are working together to get more customer contribution, which impacts DCSEU’s yield on low-income savings projects, which help DCSEU’s dollars go further. DCSEU is launching and Income Opportunity Fund. They are using that to go out and raise funds for low impact projects. They are working with the SREC program with Solar United Neighbors (SUN) to leverage those in the market. They will also be doing low-income kits as they did in the past.

New Offering FY2019 Plan

* Solar for All CREF Program (Community Solar)
* Low-Income Single Family Solar (100 households system installed per year)
* Emergency Heating & Replacement (Work with the Office of Aging to provide equipment replacement

***Legislative Update***

Mr. Robert Kelsey gave a brief update on the legislative.

* DC Clean Omnibus introduced by Councilmember Mary Cheh
* The Hearing is scheduled for October 9, 2018.

***Review of DCSEU***

Dr. Lance Loncke indicated that through July they received $13 Million in invoices from DCSEU. The August bills have not been received. DOEE is expecting them to spend $7 Million by September 30. Dr. Loncke said there is not a requirement to spend all of the funds. The SETF finds collected from Washington Gas and PEPCO are $18.7 Million - $14.5 million came from PEPCO and $4.2 million came from Washington Gas. Hopefully by the end of the year the revenue collections will hit $22.1 million. He said he would let the Board know the final collections by November.

**General Updates**

**Old and New Matters**

*Summary Action Items*

* Assignments were given to develop the Board’s Annual Report.

**Actions taken by the Board**

* Approval of August 21, 2018 meeting agenda
* Approval of August 21, 2018 meeting minutes

**Actions for the next Agenda**

* None

**Adjournment**

* Chair Kane adjourned the meeting at 12:05 PM.

*Minutes prepared by: Lynora Hall*