**SEU Advisory Board Meeting**

**Minutes**

**4/10/2018**

**Call to Order**

Chair Corman called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) to order at 10:20 AM, February 14, 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

**Board Members on the Phone:** Donna Cooper, Betty Ann Kane, Nicole Steele, John Mizroch, Millie Knowlton, Sandra Mattavous-Frye, Kirsten Williams, Leni Berliner

**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, DC Sustainable Energy Utility or DCSEU); Solome Girma (Director, Program Management Office, DCSEU); Anmol Vanamali (Financing Strategies Director, DCSEU); David Hill (Director Distributed Resources, Policy Fellow, VEIC); Alissa Waters (Sr. Management Analyst– Office of the Chief Financial Officer, DOEE); Sheryl Dove (Strategy Manager, DCSEU); Bernice McIntyre (Washington Gas); Ricky Gratz (ORACLE); John Young (DCSEU); Maria Brown (VEIC/DCSEU); Yohance Miriam (OPC)

***Board meeting live stream link:*** [***https://www.youtube.com/watch?v=uMU-uorBL2E***](https://www.youtube.com/watch?v=uMU-uorBL2E)

***Approval of Agenda (3:47)***

The motion to approve the agenda was made by Mr. Sean Skulley, seconded by Dr. Donna Cooper and unanimously approved by the Board.

***II. Official Business***

***Review and Adoption of the February 14, 2018 Minutes (4:34)***

The motion to approve the February 14, 2018 minutes was made by Mr. Sean Skulley, seconded by Ms. Nicole Steele and unanimously approved by the Board.

***DCSEU Quarterly Update (6:31)***

Mr. Ted Trabue provided a PowerPoint presentation to the Board on the DCSEU Quarterly Update. The DCSEU received an award from EPA for reaching out to hard to reach communities in the District. The awards ceremony will be held this coming Friday night. Also, PEPCO and Washington Gas will be recipients of awards as well.

Mr. Trabue mentioned that April 1, 2018 is the middle of the fiscal year and he will be providing an analysis of where the DCSEU was a year ago up to today. As reported on February 14, the low-income numbers had not changed significantly. He also will shared the media attention that DCSEU has received.

Mr. Trabue presented a chart which indicated where they were. On the electric side by the middle of the year they had about 1500 MWh in terms of savings. At this point they have three times the amount that they have accomplished this year. The natural gas savings are roughly more than they were at a similar point last year. Looking at about a half-million dollars lower than it was last year, Mr. Trabue went over why the numbers are lower and when they start to get us to our low-income spending goal for the year.

***Green Jobs*** – The numbers are looking a bit stronger this year. They are currently at thirty-eight this year and at this time last year we were at twenty-two FTEs. The job goal is not cumulative but a year-to-year.

***Largest Energy Users*** – Last year they had fourteen largest users and they are now at sixty-one this year.

The last two lines on the chart shows electric and gas spend. Combining those two numbers, you have $3.5 million and $1.3 million with a total of $4.85 million. In the far left column you see $5.7 million and $1.4 million adding up roughly to about $8.1 million. You can see where we are significantly ahead on spending. (See attached chart)

***Electric Savings Goals*** – October 2017 – September 30 of this year DCSEU will be a bit ahead of the maximum goal by year two. This is related to the electric benchmark.

***Gas Savings Goals*** – When they initially started they were a bit behind. This year they are looking strong on the gas savings spend. By September 30, 2018 they will be well on their way, if not exceeding the goal for gas savings. They exceeded the benchmark last year and will this year.

***Workforce Development*** – This year DCSEU had nine graduates. Six of them are fully employed and three have gone to graduate school to pursue master degrees. They are employed at WMATA, Howard University, the University of DC, a consulting firm, HVAC ,and traveling to Germany and Senegal All of the graduates received a National Certification, LEED Certification and certification in Program Management. The next cohort will start in late April and in June.

***Income Qualified Efficiency Pilot*** – This is DCSEU’s primary low-income program. Mr. Trabue talked about how the number had not moved very much this year. They launched a new program in this space because the low-income goal has shifted from where it was historically. The spending goal was that DCSEU had to spend about thirty percent of their budget in the low-income space. They are spending twenty percent in the low-income space but must achieve about ten percent of their overall savings. In the prior contract there were no savings number. They had to revamp how they offered the particular program. They met with their contractors and asked them to go out and find projects for the DCSEU. They have received thirty proposals under this program; twenty-eight of them are with owner contributions of between five to fifty percent of the total cost. They have about $2 million in total contracts and work orders going out in about a week. They will come back in about two months to update the Board. This program will help with DCSEU’s green jobs, low-income numbers and other metrics to go up. DCSEU will keep the Board updated when changes occur.

***CBE Participation –*** DCSEU has an aggressive CBE goal to meet and they are working with the Department of Small and local Business Development to meet their goal.

The DCSEU had the opportunity to give a presentation at AOBA and Washington Gas did a presentation at the DCSEU office. The DCSEU is working with AOBA with low-income programs. Ms. Sandra Mattavous-Frye indicated that making sure low-income residents are receiving savings has always been a topic of discussion for the Office of the People’s Counsel. Ms. Mattavous-Frye offered to have the DCSEU come to OPC to discuss their low-income programs. Mr. Trabue accepted the invitation and will schedule it within the next couple of weeks. Chair Corman suggested that the Board be invited to attend.

***Passive Housing Training –*** The DCSEU will be hosting this training on April 23-27, 2018. Mr. Trabue thanked Dr. Lawrence for suggesting that Edward Yim participate in the training. There are about twenty-five people registered for the sessions. Ms. Sheryl Dove explained what a passive house is.

***Media –*** The DCSEU has been in the Energy Collector, Huffington Post and the Washington Post. Mr. Ben Burdick stated that he sent out last month via email the DCSEU Digest to update the Board and others on what the DCSEU is working on currently and past accomplishments. If the Board has news they were asked to send the information to Mr. Trabue or Mr. Walker. DCSEU looks forward to keeping the Board informed of the DCSEU’s activities. Chair Corman wanted to know if there was a mechanism to measure the outreach, at least polling people. Mr. Burdick said the DCSEU uses Google Analytics.

***Spec Pilot Initiative Program (45:03)***

The DCSEU reached out to the MDV SEIA to explain the pilot initiative with Dave Murray who heads the MDV SEIA. Based on the information given to him including a presentation which was discussed with his stakeholders during a weekly call, DCSEU received some questions similar to what the SEUAB members were asking. In terms of progress on the implementation side, a draft Memorandum of Understanding has been submitted to SUN. They have submitted an updated plan based on feedback received from DOEE, to secure the entity that would purchase the SRECs from the DCSEU. They have issued an RFP on March 23 and the last day for bids was last Friday.

 ***Update of EM&V Contract (49:16)***

DOEE has executed an EM&V contract with NMR Group. They are an employee owned energy efficiency evaluation program. NMR have partners who joined there bidding proposal and they are Demand Side Analytics, Bluepath Labs, Setty and EcoMetric Consultants. This team will be conducting the evaluation of the DCSEU FY17 performance as it relates to impact evaluations, process evaluations and other important studies. The contract was signed on March 30, 2018. The kick-off meeting with the contracting team will be the following day at the DCSEU office. DOEE will meet with the EM&V team for an hour then will engage the DCSEU in the session. Hopefully the evaluation can be completed in about two months. DOEE has not seen a work plan to provide the Board with exact dates but once received it will be shared with the Board. DOEE is severely behind on getting the evaluation done for FY17 because we are mid-way through FY18. This will be a high priority to get this evaluation done so that DOEE can make a determination on how much incentive the DCSEU will receive for FY17. Then DOEE will begin to start the process for FY18.

There are a number of important issues on the DCSEU side that will require strategic guidance from the evaluator in terms of new programs and initiatives they are in the process of launching that will require some technical assistance. Hopefully this evaluator will be able to provide that guidance.

***Recap of EM&V Subcommittee Meeting (51:33)***

The first meeting was held last Friday with several Board members and DOEE to discuss and understand information in the contract and how to better improve the reports and metrics that are captured in the benchmarks and the broader evaluations. The subcommittee has homework like putting together some of the derivatives. Derivatives like other metrics besides acquisition cost, and besides realization rates that the Board thinks is of interest. The plan is to schedule another meeting with the subcommittee and bringing the evaluator to the next board meeting scheduled for May 8, 2018 so that the Board can meet the evaluation team and go through the work plan and how the evaluation will proceed over the next couple of months. Chair Corman nominated Sean Skulley to Chair a subcommittee to further discuss the issues raised . Mr. Skulley accepted.

***Proposed DCSEU Contract Modifications & Review of Executed***

***DCSEU Contract Modifications (1:10:57)***

Dr. Loncke asked for clarity to make sure that the Board wanted to discuss the new modifications and not the old ones. Chair Corman stated that the Board would like to review the old modifications from October and November. There were three modifications and two were previously discussed. The last modification done was the treatment of the low-income savings targets. The Board has had a lot of discussions on tracking the ten percent energy savings for the benchmark target versus the entire overall savings goal. A copy of the modification #3 is in the drop box. In Section C, the change is assigning a fixed number for the low-income energy savings goal. On Page forty-seven is where the contract referenced a ten percent savings for the low-income benchmark. The problem with the ten percent is the DCSEU would not know what the ten percent is until they get to the end of the year to report the energy savings. On the first page is the language in terms of how DOEE calculates the twenty percent. The benchmark requires the DCSEU to spend twenty percent of the annual expense from the SETF funds on low-income programs. What DOEE has done is clarify what this twenty percent means. Prior to this language the twenty percent stated that in calculating the Contractor’s twenty percent spend, that all of these things would have been a numerator. If you go back to the original language in the contract on page 47 where it is says that annual expenditures, programmatic cost, administrative cost and all expenses shall be included in the denominator but not in the numerator.

This was prior to DOEE having a discussion with the DCSEU in separating out what was called general administrative cost vs. programmatic cost. This language does not tell the story about what goes into the numerator. It states what would go into the denominator, so DOEE had to specify what will be included in the numerator to calculate the spending for low-income. So DOEE clarified what goes into the numerator, which are only programmatic expenses related to low-income programs, and everything else goes into the denominator. On the top only expenses associated with low-income programs are calculated. Programmatic expenditures are those which could be directed to a specific program, which could include personnel. Chair Corman asked for the definition of Programmatic Cost. Dr. Loncke showed in the modification in Section Five. Ms. Kirsten Williams suggested that a chart be produced to show the old and new language in the modifications.

Dr. Loncke informed the Board that two additional modifications will be coming to them sometime next week. One is to add $375,000 from the PJM revenue contract. Modification Five would be funds from the Solar for All initiative where the agency will be working with the DCSEU to implement. It will be about $40 Million range to have them to assist with the implementation of the Solar for All Program. As you may know, the Solar for All Program was passed by Council for DOEE to install solar on one hundred thousand households by 2032. DOEE will send those two amendments to the Board as soon as they are substantially drafted.

***SEU Advisory Board Expenditures (1:35:48)***

Ms. Leni Berliner forwarded information to the Board about an upcoming seminar in May. Three Board members are interested in attending. The Board’s approval is required to pay for the session out of the Boards allocated funds of $9,800. The forms will be sent to the members to return to DOEE to process. The title of the seminar is: Today’s U.S. Electric Power Industry, Renewable Energy, ISO Markets and How Electric Power Transactions are done on May 22-23, 2018. The individual cost is $1,895 and an early registration discount of $100 will be deducted. Mr. John Mizroch moved to approve paying for the seminar and it was unanimously approved by the Board.

***Planning for SEUAB Retreat/Orientation (1:45:45)***

Discussion on the retreat and the remaining funds will be discussed at the next board meeting on May 8, 2018

**General Updates**

**Old and New Matters**

*Summary Action Items*

**Actions taken by the Board**

* Approval of February 14, 2018 meeting agenda
* Approval of October 16 and December 18, 2017 meeting minutes

**Actions for the next Agenda**

* Planning Retreat/Orientation
* Board Vacancies
* Allocate less time on discussion of the minutes

**Actions with Responsibility**

* DOEE – Introduction of NMR Team
* DCSEU – Low-Income Benchmark and Performance

**Adjournment**

* Chair Corman adjourned the meeting at 12:07 PM.

*Minutes prepared by: Lynora Hall*