**SEU Advisory Board Meeting**

**Minutes**

**12/18/2017**

**Call to Order**

Chair Corman called a quorum of the SEUAB to order at 10:15 AM, December 18, 2017 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, Karen Sistrunk (proxy for Sandra Mattavous-Frye) Betty Ann Kane, Dan Wedderburn, Millie Knowlton

**Board Members on the Phone:** Kirsten Williams, Donna Cooper, Sean Skulley

**Absent Board members:** Jared Lang, Josh Richards, Nicole Steele, Leni Berliner, John Mizroch

**Other Attendees:** **Other Attendees:** Tommy Wells (Director, DOEE); Marc Nielsen (Legislative Director, DOEE); Taresa Lawrence (Deputy Director, DOEE); Lance Loncke (Associate Director, DOEE); Hussain Karim (Assistant General Counsel, DOEE); Lynora Hall (Staff Assistant, DOEE); Marshall Duer-Balkind (Program Analyst, DOEE); Adrienne Henderson (Assistant People’s Counsel, OPC); Ted Trabue (Managing Director, DCSEU); Marcus Walker (Director of Operations, DCSEU); LaKeisha Lockwood (Energy Program Specialist, DOEE); Angela Johnson (Director of Finance, DCSEU); Bob Jose (Agency Fiscal Officer, DOEE); Tamara Christopher (Financial Planning and Analysis Manager, DCSEU); Sheryl Dove (Strategy Manager, DCSEU); and Patrice Brooks (Project Intake Supervisor, DCSEU); Ben Burdick (Marketing and Communications Manager, DCSEU); and Bernice McIntyre (Washington Gas).

***Board meeting live stream link: https://www.youtube.com/watch?v=TNAsBSS2Rl4***

***Approval of Agenda***

Chair Bicky Corman suggested moving the discussion on the meeting schedule before the adoption of the minutes.

***FY 2018 Schedule for Regular Meetings***

Chair Bicky Corman suggested that the current meeting day be changed from a Monday to another day of the week. This would give the Board more time to prepare for the meetings.

She asked Ms. Lynora Hall to send out a Doodle Poll for the next meeting in January.

***Review and Adoption of the October 16, 2017 & November 21, 2017 Minutes***

The motion to approve the November 21, 2017 was made by Chair Corman, seconded by Karen Sistrunk and unanimously approved by the Board.

The review and approval of the October 16, 2016 Minutes were deferred until the next Board meeting.

***Review and Discussion of Draft SEUAB Annual Report (1:51 – 47:28)***

Chair Corman was trying to capture where they got the three percent reduction from. Chairman Kane clarified the three percent reduction came from monthly and annual sales of retail delivery of electricity reported to PSC by Pepco, comparing 2016 and 2011. Dr. Cooper said Pepco has the supporting information as it relates to the Weather normalized data. She will work with Chairman Kane and Dan Cleverdon, and will share it with the full group. The total delivery data are publicly available every month. Dr. Lance Loncke asked to receive a copy of the report.

Chair Corman noted that the City Paper has said negative things whereas other reputable papers have said positive things about the DCSEU. The suggestion was made to include other articles that have said positive things about DCSEU, so there would be balance. There has been back and forth in reference to the City Paper and there were comments by the People’s Counsel and others stating that they do not want to strike it entirely because they do not want people to think that the Board is not fully aware and paying attention. The suggestion was made to state the City Paper has been critical, but document other third parties that provided praise and a positive commentary on the DCSEU. Director Wells said that when City Paper is mentioned, Loose Lips should be specified. Chairman Kane said that the facts should be straight. Dr. Cooper stated that the People’s Counsel made a recommendation to include it as a reference point of awareness. Ms. Sistrunk was asked to share again why she thought that it should remain and more importantly whether there are other ways, maybe to footnote it as opposed to it being so dominated in the report. Ms. Sistrunk asked whether the Board needs to have anything in the report if there are positive reports from the media. If anything is included, it needs to be balanced to include the positive. Chairman Kane said maybe there should be a section on how the DCSEU is perceived. Chair Corman recommended striking references to third parties, discussing the Board’s own assessments of the DCSEU’s benchmarks, and noting that the Board is aware of the third party discussions.

Chair Corman moved to add a statement that the Board is aware of third party commentary, positive and negative, however the Board would be focusing on the benchmarks and overall findings that the minimum benchmark has been met or exceeded, with all but one maximum. The Board is drilling down on a few things or what are the reasons; including internal or external factors. This was seconded by Chairman Kane.

It was noted that Sean Skulley rewrote his section of the report.

There were concerns with the EM&V Report that came out of the last Board meeting. There were suggestionsfrom Ms. Leni Berliner. Dr. Loncke pointed out that the ACEEE does not produce standards for the EM&V Report.

Chair Corman moved to page thirteen. After the EM&V Kick-Off they can say that the Board is dissatisfied with the metric and to see if there are other models, or if they are not ready to say so. Chair Corman recommends that they drop it and state there would be further discussions about alternative metrics that the EM&V might employ. Dr. Loncke noted that VEIC does not control the EM&V contract; it is controlled by the District of Columbia. He suggested that the Board review the EM&V RFP now to see if there is anything which needs to be captured. A copy of the RFP will be sent to the Board.

The Financial Audit Terms of Reference: Dr. Loncke asked if the Board could provide what those terms of reference should be for the audit. Chairman Kane recommended that DOEE work with the DCSEU on issue. Chair Corman said similarly to the EM&V Report, the financial audit report was focusing on the expenditures proposed to be expended but it may not have been a holistic report. A recommendation is to ask the Board members who were concerned to help the Board to come up with recommendations.

Chair Corman asked for the RFP and to provide information on Green Jobs information for Ms. Nicole Steele. Director Wells stated that there are clear performance measures on Green Jobs. Does the DCSEU get credit when they move on and take jobs in other places? Can they or should they track this information. It is not in their contract to track. They would like to get credit for the Green Jobs but on the other hand it is not a performance measure. The question is, was there an expectation to do a survey of their former employees to see if they are they employed, or is it related to a performance metric that they already have.

Mr. Ted Trabue mentioned that the request from Ms. Steele was to provide the types of jobs in the metric. What they report to DOEE is a summation of hours worked. Director Wells asked if DCSEU provided the information to Ms. Steele. Mr. Trabue answered and staff answered no. Mr. Trabue clarified that what Ms. Steele asked for was a breakdown of the 1,950 hours with FTEs. He said the information will be provided to Ms. Steele later that day. Director Wells said that if the Board requests information, it may need further discussion so that the request is clear.

In Sean Skulley’s section there is an outstanding question from Chairman Kane and comments from the People’s Counsel on page 16. The recommendations have not been changed. They recommend maximizing low-income by removing the renewables and commercial projects from the benchmarks and remaining in line with the CAEA. The People’s Counsel’s concerns are to make sure residents are included and not cast aside in terms of those programs. Chair Corman will be contacting DOEE for fillers and citation information.

Director Wells mentioned that he has seen in this process that it forces the Board members, including the new members, to get to know the DCSEU and their performance. He appreciates hearing the back and forth dialogue. Director Wells thanked each Board member.

Dr. Loncke had concerns with the section under New Benchmarks. In the report they are focusing five pages on the benchmarks and new contract, when this report is for FY16. In another 2-3 months the Board will be drafting the FY17 report. He wondered if this section will be repeated in the report because the FY17 report is where the new contract begins. So skipping the discussion on the new benchmarks is a discussion. Chair Corman stated the main purpose of including this information was because a large portion of what the Board did was to participate in the new RFP and explaining the reasons for changing it is to record what the Board did. Chair Corman said it can be condensed and they are open to suggestions because this is what she did and spent a lot of time on.

Chairman Kane stated that when they get to the FY17 report they can say “as we recommended in the FY 16 report, they recommended changes to the benchmarks and those were put in place.” Chair Corman said that the report is law and if it can be put in an appendix why not emphasize that this is what the Board did as opposed to it being a lengthy dissertation.

Dan Wedderburn asked about the Conclusion section and if that is all. Chair Corman stated that the topic is in the Conclusion Section and the language has not been changed. Dr. Cooper would like to review the acquisition cost in detail and forward her comments to Chair Corman.

***Review of the Minutes (47:30 – 1:02)***

Chair Corman has no comments on the November 22, 2017 minutes.

Ms. Millie Knowlton suggested that a summary of the Board’s request be noted in a separate section. The suggestion was moved by Chair Corman, seconded by Mr. Wedderburn and unanimously approved.

Ms. Sistrunk said the OPC concern is that low-income residential homeowners are still a priority. Chair Corman moved to adopt the November 22, 2017 minutes, which was seconded by Chairman Betty Ann Kane and unanimously approved.

Going back to the October 16, 2017 minutes, an addition was made on page five regarding the sliding benchmark for low-income. The question was asked if there are any other modifications. There were none. It was noted that the Board talked about C.40.8.3.1.2, but it was unclear if C.40.8.3.1.3 was discussed regarding the September modifications. The Board will not vote on the October minutes until the next meeting.

Director Wells mentioned that he would like to note to the Board that the minutes are very dense and detailed. Summary actions should be reflected, but these minutes are very detailed. He has never seen minutes like this - nine pages, single spaced and 8 point type. The Board needs to make clear what the minutes are to accomplish. They definitely want to use minutes for the Board’s annual report to the City Council and any Board actions. DOEE will happily move forward with this but he does not sit on a Board that has minutes like this; maybe a court reporter would provide this type of report. With this being said if the Board is satisfied and happy, that is okay, but it is dense. Chairman Kane stated she spent eight years chairing an advisory committee and their minutes are just the agenda, reports and summary actions. Director Wells said these minutes are a transcript. Chairman Kane said that they put out a summary of approved actions with a summary the next day. Director Wells suggested that an agenda item to discuss the minutes should be at the next meeting. DOEE needs to know specifically what the Board wants in the minutes. A transcript is hard to do. The minutes should differentiate between what the Board said and what the Board did. Chair Corman said if the Board is making a record for what it wants to recommend it helps to build the record.

***Review of DCSEU FY 17 Performance (1:04 – 1:35)***

Chair Corman reiterated that the Board requested to see the information presentations in advance of the meetings.

Mr. Trabue said this presentation is a snapshot of the DCSEU’s FY17 performance. The FY16 annual report will be shared with the Board. Mr. Trabue reported that they have a new CEO at VEIC who wants DCSEU to maintain a strong customer focus, so he will always start a presentation with what they are doing with their customers. They will be showing something they have been receiving from the media over the last few months and an event invitation to an exciting event for the first time.

DCSEU is completing phase two of a comprehensive look at the lighting system at the National Zoo, including new LED lighting for the entire Zoo. This will decrease energy consumption at the Zoo while increasing comfort for the animals. Chairman Kane asked if there will be signage displayed with the DCSEU information. Mr. Trabue answered there is no signage but this will be discussed. Chair Corman wants to know how much the project cost and how it contributed to the benchmark. Mr. Trabue asked if she would allow him to provide that information to her in writing so that he can give the Board a breakdown of the cost. This was a huge long-tern project.

This first slide is a look back at a verified five years of savings. It shows their progression for every year of the DCSEU. They have had an upward trajectory of how they have been doing over the last six years. They are getting better at what they do with customer acquisition, improving yields, paying less for projects year by year and being well known in the community.

The minimum benchmark for the electric was exceeded for the first time. Again, this is unverified. Director Wells asked how the one year minimum-maximum in the FY16 compares to FY17. Mr. Trabue answered the minimum –maximum in the FY17 are a little lower than FY16.

The Green Jobs benchmark has been the same over the last six years. This benchmark has always been at 88 FTEs. This year about 84 FTEs is clearly the minimum and not the maximum. Chair Corman stated last year it was exceeded, so what is the problem now. Mr. Trabue said probably two things, fewer staff in the office and fewer direct installs done by contractors. This meant there were less hours reported by the employers. Chair Corman said the turnover in the DCSEU was relevant because this is where the green jobs are in the DCSEU. Mr. Trabue answered yes and it is one of the categories of green jobs. They will look at all of the employees at the DCSEU who are District residents, the hours worked by the contractors and their employees, as these count towards the green jobs as well. Then they would take a look at the amount of money spent on incentives coming out of the FY16 in the year the contract was being bid. There was a lot of uncertainty with staff on whether or not they would be here. Over twelve staff members left the organization, and DCSEU did not immediately back-fill those positions. It would not have been fair to hire new people then tell them a month or so later that they were out of a job. Chair Corman asked about the contract modification and if it did not serve its purpose because it was to bring in more low-income customers. Marcus said the contract amendment fixed the issue but the low performance was due to another issue – they paid 100% of the costs, and are looking to do less. Replacing lighting is the most efficient, compared to boilers.

*Low-Income Spending* – Mr. Trabue said in prior contracts the low-income spend was 30% of the contract, but in the new contract it is 20%. There is a second part to this which is a savings, which has to be attained for low-income spend. DCSEU is above the minimum but not the maximum; this is an area that they need to work on to make sure that they increase their yield. In FY16 they were focusing on low-income single family homes. In FY17 they worked on commercial installations and the maximum goal for this was a MW and they did a little over twice that amount. Chair Corman asked about the contract modification and if it did not serve its purpose because it was to bring in more low-income customers. Marcus said the contract amendment fixed the issue but the low performance was due to another issue – they paid 100% of the costs, and are looking to do less. Replacing lighting is the most efficient, compared to boilers.

DCSEU did not use any REDF on the renewables this was done with the SETF funds.

*Certified Business Enterprises (CBEs)* - There is no maximum for spending with the CBEs, but there is a minimum threshold that they must hit every year. The minimum is $2.2M and they hit $3.2M, so they well exceeded their CBE spend.

*Customer Service* – Mr. Trabue said there is a big difference in what they did in FY16 vs. FY17. This is part of a shifting paradigm of the old contract to the new, and the types of customers they are serving. They are going out to find large projects with a more aggressive goal. They discontinued the home performance with energy star program which was a residential program, and shifted funding around so that they could do more commercial programs. The Board will see a large difference in FY17.

*First Five Years vs Next Five Years -* Mr. Trabue presented a chart which showed how they delivered their programs over the five years of the contract. They are looking at changing the programs from FY17 through FY21. They are moving away from some things like direct installations by CBEs, and moving towards technical assistance from their engineers and a lot of data analytics. Ms. Patti Boyd will come in to give the Board a presentation on the new strategies, funding and financing. They will be working with DOEE’s benchmarking program. A further breakdown will be given at the January or February meeting, whenever the Board meets again.

*Workforce Development –* The program has been consistent throughout the last five years. In the leveraging piece they know that with the Green Bank there needs to be a lot of collaboration between us PACE and the Green Bank. The Green Bank will to help DCSEU leverage our dollars further.

*Recent Press –* Some good news that DCSEU is proud of, is an Energy Efficiency Day held back in November. There were articles written and published. They visited Channel 9 to discuss energy efficiency products for residential customers. They are working with restaurants which are very energy intensive businesses. They have been continuing working with Howard University on their on energy savings. A lot of media outlets have been following DCSEU. A great press release was sent out jointly by Mayor Muriel Bowser about the homeless shelter. The State Department sent over a Chinese Delegation about two weeks ago and they were happy to entertain them. They are having an Innovation meeting and will be inviting all Board members to this forum on January 24, 2018. The Board will receive a personal invitation. PEPCO has agreed to sponsor the event. They are bringing in three different technologies, two from Europe and one is an American company, to talk about some great innovative ideas which they hope to deploy in the District of Columbia.

Director Wells stated that in terms of the use of this report is there anything additionally that the Board would like in reviewing this report. There were no comments.

Mr. Trabue stated that the Board would receive a copy of the FY17 report which includes all of the performance benchmarks and tracking benchmarks. It is a substantial report but if there are questions on it DCSEU will be happy to respond. Director Wells asked Dr. Loncke and Dr. Lawrence if they had any comments. Dr. Loncke stated the FY17 report was outstanding. Personally I am impressed with the results. Hopefully the EM&V can substantiate the numbers. Dr. Lawrence said that she agrees because FY17 was a transition year. Mr. Wedderburn said that he is happy to see the evolution between the Board and the DCSEU. It is positive time for all three organizations.

**General Updates**

**Old and New Matters**

*Summary Action Items*

* DOEE - Provide the EM&V RFP
* DCSEU - Provide Green Jobs information to the Board
* DOEE - Place Chair Corman Annual Report redline in the Drop Box
* DCSEU - Provide presentations in advance
* Board - Discussion on drafting the minutes on the agenda of the next Board meeting
* DCSEU - Provide a rundown of energy savings.

**Adjournment**

* Director Wells on behalf of Chair Corman adjourned the meeting at 12:06 PM.

*Minutes prepared by: Lynora Hall*