DC SUSTAINABLE ENERGY UTILITY

DCSEU Advisory Board
DCSEU Strategic Planning Process

May 15, 2017
DCSEU Management Team

- Patti Boyd, Senior Technology Strategist
- Cory Chimka, Account Manager
- Tamara Christopher, Financial Planning and Analysis Manager
- Sheryl Dove, Strategy Manager
- Bridget French, Account Manager
- Angela Johnson, Finance Director
- Mansi Talwar, Senior Energy Manager
- Theodore Trabue Jr., Managing Director
- Anmol Vanamali, Financial Strategies Director
- Pierre Van der Merwe, Director, Program Management Office (acting)
- Marcus Walker, Director of Operations
Our Team

Vermont Energy Investment Corporation

GLN&A

IMT Institute for Market Transformation

NEW COLUMBIA SOLAR

PEER Consulting P.C.
Contract Benchmarks - Reminder

New Contract Electricity Goals

New Contract Gas Goals

80-20
Electric/Gas
Funding Split
And Social Justice Goals...
- Workforce development
- Contractor development
- Local hiring
- Low income goal – 10% of savings and 20% of spending

Contract Structure...
- Gas and electric linked for performance bonus
- 80-20 electric / gas funding split
- Any performance below maximum creates base budget decrease in subsequent years
- Can claim savings above code
Strategic Planning Process

Stakeholder Engagement

Advisory Board  Customers and Contractors

Short-term Plan (2017-2018)

Programs  New Strategy Development

Long-term Plan

Alignment with District Plans  2018-2021 Plan
Contract Delivery

FY2012 – FY2017
Market Transformation – Financial Incentives

- Prescriptive
  - Business Energy Rebates
  - Efficient Product Rebates
- Custom
  - Commercial & Institutional
  - Low Income Multifamily
- Direct Install (CBE)
  - Commercial
  - Low Income

FY2017 – FY2021
Deeper Influence on Savings and Market Transformation

- New Strategies
  - Enhanced Technical Assistance
  - Data Analytics
  - Pay for Performance
  - Savings Attribution
- Leveraging/Innovation
  - Funding Financing
  - Partnership Sponsorships
  - PJM
  - REC / ITC
  - DC PACE
  - Green Bank
- Alignment w/Clean Energy Plan
  - Benchmarking
  - P4P
  - Codes and Standards

DCSEU.COM
Leveraging

Anmol Vanamali
Leveraging at DCSEU

- Definition: Get more resources for DCSEU’s programs and customers

- Four types of leveraging
  - Funding -- Financing
  - Partnerships -- Sponsorships

- Specific leveraging requirements by contract include PJM, RECs, ITCs, DC PACE coordination, government and private grants

- DCSEU has already successfully engaged in
  - Monetizing energy efficiency capacity in PJM
  - Applying for and receiving Federal and District grants
  - Connecting community through focused events on financing
  - Facilitating financing for customers through Energy Efficiency Financing Program
DCSEU’s Financing Strategy

Degree of resource commitment

- These two areas of financing need coordination with the proposed Green Bank
- DCSEU will be on hand to provide design and implementation support, if and when required

Timeline
New Strategies for Efficiency Savings

Patti Boyd
New Strategies for Efficiency Savings

- Enhanced Technical Assistance
  - What is it?
  - Interval data analysis (Green Button, 15 minute, AMI)

- Pay for Performance

- Savings Attribution Models
Interval Data Analysis

**Summer**
Lots of usage for AC

**Winter**
Heating isn’t electric, so it doesn’t show up

Red = high KW
Green = low KW

Time of Day

Date (1 yr)

Maintenance shutdown?

Christmas shutdown

Production hours

DCSEU.COM
Pay for Performance (P4P)

- **Existing method:**
  - Pay incentive just after measure installation based on an estimated future savings

- **Pay for Performance:**
  - Pay an incentive after a pre-defined time (season, 9 months, 1 year), based on actual savings results

- **Why now?**
  - Not possible in annual contract
  - 5-year contract allows for long-term engagement
  - Recommended in Clean Energy Plan
Electricity bill data was used to develop a model of expected energy usage through weather normalized multivariate regression analysis and/or other independent variables.

After improvements are made, consumption data can be compared to the model. The difference between the model and the actual electric usage is considered energy savings.

4,223 - 2,570 = 1,653 MWh Savings
Savings Attribution Models

- “Value add” non-financial services offered by the DCSEU that form the basis of savings
- Accounts for the numerous ancillary service offerings the DCSEU offers to customers in addition to incentives
- Categories: (1) training, (2) building and professional codes and standards compliance, (3) technical assistance, and (4) market transformation
- Working with DOEE and the EM&V evaluator to implement
- Recommended in Clean Energy Plan
Innovation Fund

Sheryl Dove
Innovation Fund

- Innovation role – supports pilot programs
- Pilot programs funded by Innovation Fund for a maximum of three years
- Reaching out to the market to understand what is innovative
- Innovation Fund – up to 5% of the annual SETF funds under contract
Advisory Board’s Feedback

- Are the strategies laid out going to help realize the contract goals?
- Do these strategies also meet the needs of the market?
- Is this supportive of the Clean Energy Plan? If not, what should be added?
- What else do you recommend?
Thank You!