

BEPS Task Force Meeting Notes
February 2, 2021

Task Force Member Attendees: Katie Bergfeld, Patti Boyd, Jen Croft, Marshall Duer-Balkind, Dave Good, Max Greninger, Adrian Gross, Reshma Holla, Jessica Jones, Cliff Majersik, Todd Nedwick, Matt Praske, Jay Wilson

Public Attendees: Andrew Held, Sharon Jaye, Molly Hoffsommer, Michael Feldman-Wiencek, Kristian Hoffland, Cet Caldwell, Kevin Carey, Michele Good, Nathan Jeffay, Joanna Saunders, Sean Fish, Joe Knackstedt, Gerald Gloria, James Ball, Tim Oberleiton, Brianne Widmoyer, Roger Chang, Carissa Aranda, Zhen Ren, Andrea Foss, Donald Walker

The notes reflect the discussion only – please see the referenced slide for content presented.

Meeting Agenda

1. Administrative (slides 1-5)
 - a. Opened meeting at 2:32pm
 - b. Attendance taken by roll call (see above); Quorum acknowledged
 - c. Reviewed role of TF and today's agenda
2. Cost/Benefit Study update (slides 6-7)
 - a. Update on status and key takeaways
 - b. Energy efficiency measure analysis and its effect on prescriptive pathway
3. Prescriptive Pathway proposed updates
 - a. Purpose of Prescriptive Pathway (slide 8)
 - b. Process (slide 9)
 - i. No discussion
 - c. Categories (slide 10)
 - i. No discussion
 - d. Property types eligible (slide 11)
 - i. No discussion
 - e. Guardrails title slide (slide 12)
 - f. Minimum % of savings identified in audit (slides 13-14)
 - i. Wouldn't it be in the building owner's best interest to pursue greater than 20% savings? Yes, absolutely.
 - ii. Clarification, is this only requiring what EEMs are identified to achieve a higher percentage rather than the performance to be achieved? Correct. This is about identifying more savings up front during the audit process.
 - iii. What happens if the auditor does not identify enough savings (or building does not have 40% of savings available to be identified?)
 1. DOEE has not discussed this yet, but will work on addressing.
 2. Identifying EEM's is not a challenge...cost effective EEM's is a big challenge!

3. Re: cost-effectiveness - what if auditor is required to consider cost of non-compliance as well? DOEE will definitely consider incorporating this.
- iv. Does this replace the multi-cycle plan? No.
- v. DOEE: What do attendees think about the proposed percentages? Most respondents agreed with the following statement from Jay Wilson: "I think the broad strategy is right, and the target % make sense to start. They could be amended after the first cycle if we find that any one market (i.e. Aff. Housing) are finding hardship across the board.
- g. Targeted savings % for final EEM package (slides 15-16)
 - i. Hesitant to agree to this approach. Feels like moving the goal posts on the prescriptive path specifically
 - ii. This is good practice though, building in a buffer to better assure actually achieving 20% savings. Also agrees with previous prescriptive path approach, where DOEE was planning to require "menu" of EEMs to add up to greater than 20% savings for a buffer.
 - iii. DOEE: Question we are trying to answer with prescriptive path is if it's fair to allow a building that goes through this path and only achieves 8% savings to be compliant. DOEE's view is there needs to be at least one or the other of a savings floor or an overshoot in the final EEM plan. Overall TF preference for an overshoot versus a savings floor.
- h. Final EEM Package Make-up (slides 17-18)
 - i. Clarification: percentages shown are of the building's overall savings, not a percentage of the EEM package savings
 - ii. Many members object to limiting retro-commissioning to 5% out of 20% EUI reduction
 1. Suggest reframing as all other measures need to add up to 15%, then the rest can be RCx, if born out.
 2. Could RCx be required before submitting EEM plan at end of Phase 1 so that RCx savings included are actual savings? This would eliminate the issue of variability of RCx results on energy savings compared to predicted savings.
 3. Need to define retro-commissioning
 - iii. Requiring one EEM to account for 9% or two EEMs for 14% is not relevant because an EEM can be defined more or less broadly to capture more or less savings. It's unlikely that a single measure will achieve 9% savings without being defined more broadly to be one package of multiple measures.
- i. EEM Code/Standards minimums (slides 19-20)
 - i. Is this legal? DOEE looking into, but interested in feedback in case it is legal.
 - ii. Would this requirement end up restricting what incentives can be provided by DCSEU? Patti Boyd: Potentially, yes. It doesn't always make sense to require a percentage above certain measures. Codes are already pretty strict, so may not

be possible. Also, some equipment replacements may be inherently more efficient simply by modernizing equipment. Example: a 50-year-old boiler that is replaced with a new, right-sized boiler, can result in significant savings, without needing to be ultra-high efficiency.

- j. Fossil Fuel burning equipment (slides 21-22)
 - i. Doesn't this make it extremely difficult for a building with fossil fuel central systems to comply? No, efficiency would generally be better with electric
 - ii. What about giving bonus points for not upgrading a fossil fuel system with another fossil fuel system?
 - iii. I agree that electrification of major systems may need additional bonus points or future compliance credit to help incentivize that option since the cost for system replacement is likely very high
 - iv. Think it's wise to not reward in-kind fossil fuel upgrades, but only with concerted education strategy for buildings outside of prescriptive pathway
- k. Discussion (slide 23)
 - i. Other guardrails?
 1. How does this process differ from what has been previously discussed as alternative pathways? The Rx path is a much more prescribed process, whereas the ACPs are more performance/outcome based. Rx path has guardrails and milestones throughout the cycle.
 - ii. Unintended consequences?
 1. Does DOEE have capacity for this change? Yes, workload doesn't change, but it shifts. Eases regulatory burden in one sense because it would be leaning on an established standard.
 2. There could be implications for under-resourced buildings that would prefer a prescriptive pathway. Could we provide additional support programs? Could we simplify the process/requirements to make it easier to comply for one cycle versus long-term planning complexity?
 - iii. Which buildings would pursue?
 1. This new approach becomes more equitable by allowing all property types to utilize prescriptive pathway, versus top 4 types as would have been required under "menu" concept
 2. More flexibility compared to a menu of options with pre-determined savings percentages. More customized for your building.
 3. Why would someone choose this over the other options? Certainty over work completed that guarantees no fines (reduced risk). Only penalty is low level of realized savings results in not being able to do the prescriptive pathway the second cycle.
 4. Ultimate flexibility is the performance pathway. Prescriptive pathway is not intended to provide flexibility
- 4. Webinar update (slide 24)
- 5. Update on Standards release (slide 25)

6. BEPS rulemaking update (slide 26)
7. Overall Agenda review (slide 27)
 - a. Most future items would not be ready for discussion in February, so suggest canceling the calendar hold on February 16 and making next meeting March 2.
 - b. Question on when final rulemaking will be complete – DOEE stated that it's hard to answer without seeing the public comment (none submitted so far). If substantial changes need to happen based on comments, then a 2nd round of comment would happen. If not, the final rulemaking would happen quicker. COVID-19 did allow for more time in the rulemaking process because deadlines were pushed back. DOEE would appreciate getting public comments earlier rather than later.
8. Next Meeting – March 2 (slide 28)
 - a. Agenda will be adjusted depending on what happens in February. Agenda will be posted closer to meeting and sent to TF by email.
9. Announcements (slide 29)
 - a. Cliff (IMT) – IMT released a BPS toolkit and model ordinance recently. Check it out at imt.org/bps
 - b. Katie (DOEE) – DOEE rolling out a voluntary benchmarking program for building 10-50K square feet, with one-on-one support if the work with DOEE early. If you know of any buildings that would be interested, let them know.
10. Closed meeting at 4:38pm