

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Energy and Environment



BEPS Task Force Meeting Notes

April 14, 2020, 2:30-4:30 PM

1200 First St NE, 5th Floor, Washington, DC 20002

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

Public Attendees: Sharon Jaye, Andrew Held, Molly Hofsommer, Kate Johnson, Adefunke Sonaike, Michael Feldman-Wiencek, Christian Clifford, Juan Allen, Janine Helwig, Kristian Hoffland, Jeffrey Salay, Andy Ludwig, Lindsey Shaw, Emily Curley, Andrea Foss, Alexandra Harry, Kehan DeSousa, Giuliana Kunkel, Emily Low, David Osbourne

1. Administrative Items

- a. Opened Meeting at 2:30pm and started recording
- b. Attendance taken through roll call and chat box (noted above)
- c. Agenda review
 - i. Tradable Allowances topic moved to April 28 – Speaker unavailable today
 - ii. Higher Education Carve-out topic canceled for today – Consortium requested additional technical assistance from DOEE to create their recommendations. Conversation will be revisited at a later date.
- d. Meeting Schedule
 - i. Katie B. updated group that DOEE has received pre-clearance to work on a draft of rules. Hope to share draft outline in upcoming Task Force meeting

2. Voting on Items from Previous Meeting (Marshall will ask the TF members to stay off mute for this portion, Marshall presents language on each slide, Sharon runs roll call and records votes)

- a. Vote 1 – Follow EPA recommendation for occupancy threshold
 - i. Set the occupancy threshold for property types the same as EPA's recommendations (Office/Bank/Courthouse/Financial Center must be at least 55%; Hotel must be at least 60%; Multifamily must be at least 80%)
 - ii. For building types that can receive a score but do not have specific EPA recommendations for the occupancy threshold, the threshold should be set by EPA's criteria for receiving the ENERGY STAR Score
 - iii. For all other property types that EPA does not have recommendations, set the occupancy threshold at 50%

Action: Motion to vote made by Katie B.; Second by Joe R.;
16 voted yes/0 voted no/0 abstain = recommendation passed

- b. Vote 2 – Eligibility Criteria for low/no-occupancy exemption
 - i. “Buildings that fall below the occupancy threshold for either of the preceding two years before compliance period begins are eligible to apply for an exemption for that compliance period.”
 - ii. Discussion about having a specific deadline and adding language to the effect of “Average annual occupancy” to be precise with building owners about what EPA’s recommendations are.

Action: Motion to vote made by Jay W.; Second by Cliff M.;
15 voted yes/0 voted no/1 abstain = recommendation passed

- c. Vote 3 – Eligibility criteria for low-no occupancy extension
 - i. Buildings that do not meet the standard at the beginning of the compliance period and that fall below the occupancy threshold during the compliance period are eligible for an extension of up to 3 years to comply with BEPS.
 - ii. Discussion - More lenient than benchmarking. Opinion that EPA guidance should be followed. Should be considered outside of the COVID-19 context, which will require specific guidance for 2020 benchmarking data. Recommended that language include something about average occupancy over time period and deadline to apply for exemption. Law states that exemption criteria for occupancy will be defined by DOEE, so the Task Force needs to provide a recommendation.

Action: Delayed vote until next meeting to adjust language

- d. Vote 4 – Exclusion of low/no-occupancy buildings from standard dataset
 - i. “DOEE will remove low occupancy buildings when determining the standard regardless if they apply for the exemption or not. This is to ensure data quality.”

Action: Motion to vote made by Katie B.; Second by Marshall D.
16 voted yes/0 voted no/0 abstain = recommendation passed

- e. Vote 5 - Equivalent metric for setting standard is Source EUI
 - i. Use “Normalized” Source EUI for the Equivalent Metric in setting the standard for property type groups that do not receive a 1-100 ENERGY STAR Score.

Action: Motion to vote made by Marshall D.; Second by Katie B.;
15 voted yes/0 voted no/1 abstain = recommendation passed

- f. Vote 6 - Property Type Groups < 10 buildings, rank individually against national median

- i. For property type groups with less than 10 buildings, the buildings should be ranked individually against “a” national median. Have a pathway for unique buildings to apply to use a different dataset for their building.

**Action: Motion to vote made by Katie; Second by Cliff;
16 voted yes/0 voted no/0 abstain = recommendation passed**

- g. Vote 7 – Setting standard at District median for first cycle
 - i. The recommendation is to set the standard at the District median (whether the ENERGY STAR score or equivalent metric) for the first cycle.

**Action: Motion to vote made by Katie; Second by Jay;
15 voted yes/0 voted no/1 abstain = recommendation passed**

3. Standard Target Pathway

- a. Revisiting discussion on whether or not to offer this pathway. Simpler explanation of target (Office median is 68; building scores a 65; target would be to reach a 68 or equivalent source EUI by the end of the compliance cycle)
- b. Discussion:
 - i. Some level of uncertainty around modeling savings in the future
 - ii. Some folks have concern about reduced GHG savings want some contingencies in place like having it only apply for one cycle. Others disagreed with and said it should be permanent.
 - iii. Concern for buildings that will constantly be below the standard each cycle
 - iv. Discussion about this applying to the first cycle only and then amending later; what about smaller buildings that come on in the 2027 and 2033 cycles?
- c. Unofficial vote to get a feeling on where the Task Force members stand on whether or not to offer this pathway – 13 votes yes, 3 abstain; 4 offered qualifying statements like “offer for first cycle only” or “same every cycle” or “only offer for the first cycle for each building size (ex. 50K in 2021, 25-50K in 2027, etc.)”

4. Extended ACP for deep retrofits

- a. Deep retrofit definition from Clean Energy DC Plan - “a deep energy retrofit is a building-specific, whole-building analysis designed to identify points in the building lifecycle where investments in energy efficiency can achieve the highest return. They involve bigger measures, such as replacing all windows to reduce heating and cooling loads—which in turn can allow a switch to building equipment that requires less energy. A deep energy retrofit may occur over a few years, and will require a more significant financial commitment than conventional energy retrofits. The energy savings created with a deep energy retrofit are generally greater than 40%.”
- b. 2 scenarios for BEPS rules for consideration
 - i. Early compliance incentive discussion

- ii. Extension for deep retrofit planning discussion
 - c. Discussion
 - i. Concerns about affordable housing sector and 15-year mortgage cycles; existing extension criteria will probably take care of this group
 - ii. Modeling versus operations versus retro-commissioning – where is the point that you write them the compliance letter? Members like the idea of using actual performance as the measure of compliance. Extensions could be requested to have a performance period of a certain length after the project is complete depending on where it is in the cycle.
 - iii. Is getting above the median for future cycles the reward? Certainty is very important to building owners. This could incentivize the early adopters and build in a bit of forgiveness if modeling is a bit off. Requirement for retro-commissioning later in the time period is a good idea to deal with operational performance.
 - iv. New Construction – DCRA looking to incentivize projects based on EUI targets. Could we examine net zero energy targets from Appendix Z in new energy code?
 - v. Research – conversation with DCRA on code-triggering upgrades on Deep Energy Retrofits. Early compliance options for affordable housing 15-year cycles.
- 5. Bike Rack Review and Discussion – did not review topics due to lack of time
 - a. Historical Districts
 - b. Mixed-Use Properties
 - c. District Energy Systems
 - d. Solar Installations
- 6. Possible next meeting topics (April 28)
 - a. Tradable Allowances – presentation from Stormwater credit group
 - b. Part 2 of Deep retrofit discussion (if needed)
 - c. Penalties matrix (intro) – need more cost data from private sector members
 - d. Draft outline of rules?
- 7. Announcements
 - a. Marshall D. - circulating Integral Group webinar offerings by email. If you're interested in being on his mailing list, reach out to him.
 - b. Cliff M. – Lindsey Falasca named program director of High Performance Building Hub at Institute for Market Transformation. Hub will be officially launching in the fall.
 - c. Jay W. - Eli Hopson named new CEO of DC Green Bank, started work on April 13.