GOVERNMENT OF THE DISTRICT OF COLUMBIA

Department of Energy and Environment



BEPS Task Force Meeting Notes

May 12, 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, Maxwell Greninger, Adrian Gross, Reshma Holla, Jessica Jones, Anica Landreneau, Cliff Majersik, Todd Nedwick, Matt Praske, Joe Reilly, Jay Wilson

Public Attendees: Andrew Held, Sharon Jaye, Molly Hofsommer, Kate Johnson, Adefunke Sonaike, Dave Epley, Michael Feldman-Wiencek, Kristian Hoffland, Sean Fish, Meghan McAvoy, Maribeth DeLorenzo, Kathleen Berube, Luke Lanciano, Scott Emery, Julie Field, Jochen Schaefer, Raj Shekar, Emily Low, Jeffrey Salay, Kevin Folkes, Kudret Utebay, Frank LeBlanc

Agenda:

- 1. Administrative Items
 - a. Opened Meeting at 2:30pm
 - b. Attendance taken by roll call (see above) and quorum acknowledged
- 2. Rulemaking Process, Timeline, Task Force Report
 - a. Rulemaking progress update
 - Currently: working with Office of the General Counsel at DOEE to finalize draft of rules to then send to Office of the Attorney General to get Legal Sufficiency Certificate
 - ii. Proposed rules posted for formal public comment period, likely in the summer
 - b. Proposed Task Force Report
 - DOEE seeking to compile all Task Force discussions, feedback, and analysis to date to be available as a guidance/reference document during public comment period to inform public of how some decisions were made
 - ii. Comments: Requested DOEE provide sample topic to provide TF feedback. Wants it to be a TF document rather than a DOEE-focused document. Many members support the idea of creating a TF report that accompanies the public comment period. Several members expressed the desire to be able to review and comment on draft Guidance Documents that will accompany the rules also.
- 3. Draft Outline of Rules (see slide deck for more detail)
 - a. Applicability

- i. BEPS every 6 years (guidance document)
- ii. 5-year compliance period
- iii. Square footage threshold years
- iv. Calculation of gross floor area
- v. Property Types as defined by EPA ENERGY STAR (guidance document)
- b. Efficiency Requirements (or Energy Performance Requirements)
 - i. Performance Pathway
 - ii. Prescriptive Pathway
 - iii. Standard Target Pathway
 - iv. Campus Pathway
 - v. Alternative Compliance Pathways (guidance document)
- c. Reporting and Verification Requirements
 - i. Choosing a path
 - Owners have one year to commit to a pathway (guidance document)
 - a. Comments: Several TF members take exception with making this commitment within a year. Would support more flexibility rather than "locking-in" to a pathway. General support for an opt-in to prescriptive vs. opt-in to any paths. DGS concerned with determining prescriptive vs. other compliance over whole portfolio
 - 2. Default is "performance path" if nothing chosen
 - 3. If owner chooses prescriptive but does not reach 20%, cannot use prescriptive in 2nd cycle
 - a. Comments: DOEE: Incentivize effective implementation of prescriptive strategies. TF: Concerns about black-or-white nature of a rule that could be based on flawed assumptions
 - ii. Verification of compliance All paths are verified through energy benchmarking results and compliance report (except prescriptive)
 - iii. Prescriptive path verification steps (guidance documents)
 - Comments: Concerns raised about guidance document considerations and the timing of what is due over the five year timeline.
- d. Exemption and Delay of Compliance
 - i. NOT applicable for 1 period (vacancy, new construction, raze permit)
 - ii. Delay of compliance up to 3 years; affordable housing more than 3 years
 - iii. Good cause reasons for delay (guidance document)

- Comments: What about Naturally Occurring Affordable Housing that is rent-controlled and would need to raise rents to comply? DOEE: Trying to identify low- or no-cost improvements for cases like this or this example would probably qualify for financial hardship and/or to receive assistance.
- e. Fines and Penalties for Non-compliance
 - i. Performance pathway is default
 - ii. Square footage bins plus distance to target penalty
 - 1. Comments on calculating fine for Standard Target Path Many TF members have an issue with use of ENERGY STAR Score in standard target pathway to determine fine amount, given variability in Scores. For example, if standard is 70, property is 68 and then ends up at 69, would they be assessed 50% penalty? Additionally, should a larger penalty be levied on a higher performing building than a lower performing building?
 - A lot of discussion around penalizing a building if they went in the wrong direction, like using more energy vs. reducing energy use.
 Many TF members do think that the building owner should be penalized, but no resolution to that discussion.
 - TF asked what fine amounts are. DOEE responded that they will be based on the cost-benefit study; plans to have specific amounts available by the time rules go out for public comment.
 - 4. Among the commercial real estate group, TF members agree that "alternative compliance payment" is the preferred language for buildings failing to comply.
 - iii. Failure of compliance
- 4. Next Meeting (May 26)
 - a. Brainstorming on next steps (complementary programs and policies)
- 5. Announcements
 - a. IMT hiring new City Solutions Manager to help on building performance standards around the country, including DC. See the listing at imt.org/jobs
 - b. New DOEE team member on benchmarking team Julia Field
 - c. DC Green Bank hiring for multiple positions: https://dcgreenbank.org/careers/

DCSEU is actively looking for Low-Income energy efficiency projects (electric and gas) that will be completed by September of this fiscal year (September 30,

2020). They have increased incentives per MWh and MMBtu savings through the end of the fiscal year for these projects.

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Initiative name	Description	Customer
Low-Income Multifamily Comprehensive	Custom technical and financial assistance for energy efficiency improvements for multifamily properties	Property owners of multifamily buildings, shelters, and clinics serving income-qualified DC residents
Income Qualified Efficiency Fund	Custom technical and financial assistance for energy efficiency improvements in multifamily and other qualifying properties working with DCSEU-qualified contractors. DCSEU will pay up to 80% of labor and material costs.	Property owners of multifamily buildings, shelters, and clinics serving income-qualified DC residents
Low Income Prescriptive	Rebates for energy-efficient lighting, HVAC, heating and other qualifying equipment. Incentives per measure available at DCSEU.com	Business owners, Contractors
Energy Kit	Energy kits which contain (1) faucet aerator, (1) power strip and (1) 4pk LED A19 light bulbs are distributed to single family low income residents.	Single family Low-Income DC residents