

BEPS Task Force Meeting Notes
May 25, 2021

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

Public Attendees: Andrew Held, Sharon Jaye, Michael Feldman-Wiencek, Cet Caldwell, Michele Good, Nathan Jeffay, Joe Knackstedt, Scott Emery, Dave Epley, Donald Walker, Taresa Lawrence, Eric Yang, Amanda Clevinger, Nina Dodge, Sarah Kogel-Smucker, Andrew Zimdahl, Lance Loncke, Sean Fish, Manny Geraldo, Brendan Hall, Tola Shabi, Joanna Saunders, Wes Huffman, Zoe Heller, Joe Cohen, Joe Schambach, Hussain Karim, Alex Lopez, Jenn Hatch, Julian Belity, Nate Gillespie, Jake Duncan, Frank LeBlanc

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

Agenda:

1. Administrative opening (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. Update on BEPS Program Timeline (slide 6)
 - a. BEPS Cost/Benefit Analysis split into two parts
 - i. Part I – moving through approval process - Focuses on total cost of compliance (e.g. total cost of EEMs for 12 building typologies and subsequent operational savings)
 - ii. Part II – DOEE beginning work with SWA soon - Looking at effective costs of compliance, factoring in things like end of useful life, exploring compliance pathway scenarios, etc.
 - b. Public disclosure “distance from BEPS” based on metric relevant to the building (e.g. Source EUI, etc.)
3. Intro to BEPS Workforce Development presentation/discussion on June 22 (slides 7-10)
 - a. Bring questions to the 6/22 Task Force meeting
 - b. Note the meeting start time change for June 22 meeting: **11:00 am – 1:00 pm**
4. Retro-commissioning Subcommittee recommendations (slides 11-17): Questions from co-chairs to members:
 - a. Is 5 points = 20% or 8 points = ~25% of prescriptive pathway 25-point requirement appropriate? On member said its challenging to say, because sometimes RCx can result in more energy consumption, not less. Several members said the weighting seems appropriate and commensurate with high-quality process proposed by DOEE/sub-committee.
 - b. Are there any major building systems or components that we're leaving out that you think should be here? (slide 14)
 - i. Are envelope measures typical RCx? DOEE/sub-committee based this system element off of other programs and ASHRAE standard
 - ii. Concern about requiring elements for RCx that might end up being energy audit/capital improvement: Members would like clear delineation guidance on what is RCx and what is audit/capital improvement? RCx is intended to return system to intended design, but need to delineate between returning to optimal

operation and improving/upgrading systems. A RCx subcommittee member stated: "If a system exists and is operating, it should be looked at in RCx." DOEE: RCx subcommittee will be refining final equipment list.

iii. DOEE: The timing of the RCx audit and energy audit align within the pres. pathway phases.

- c. Should a building in its 2nd compliance cycle who chooses the prescriptive pathway a 2nd time have to include recommendations with longer payback after the first cycle?
- i. General consensus is no, RCx should be done every 3-5 years or the building should do constant CX. Each time its performed, there's different findings, like maintenance on a car—not every issue comes up at the same time/different components need tuning up at different times.

5. Public Service Commission Formal Case 1160

- a. Co-chair asked for this topic to be on the agenda today resulting from some discussion at the DCSEU Advisory Board meeting last week. Asked Pepco to present.
- b. Alex Lopez (DOEE) provided context/background for FC 1160 – (slide 19)
- c. Pepco presentation (slide 20-25)
- i. Formal filing of EEDR plan on June 26 with the PSC
- ii. Required to make 1% (~110 MWh) in savings
- iii. Overall split of BEPS buildings entering Compliance Cycle 1 with DCSEU - assigned 484 buildings, 23 are affordable housing
- d. Questions for Pepco:
- i. Budget for the program? Pepco is still working on that and it will be in the filing. Earlier iterations suggested 20 cents per square foot.
- ii. Question on why Pepco is proposing programs when DCSEU programs are working well? CleanEnergy DC Act gives Pepco and Washington Gas the legal ability to do this and that the need in the market, with BEPS compliance needs, means the need in the market is larger than one organization can provide.
- iii. Comments on split of BEPS non-compliant building list between Pepco and DCSEU
1. Comment: I think splitting the program up & channeling funds through Pepco to a 3rd party contractor will increase confusion, while reduce cost efficiency and ability of the program to result in emissions reduction per \$1 invested. in a future cycle, once BEPS is established, should there be a need to spin off, perhaps it would make sense, but in the first cycle it seems like it will increase bureaucracy and inefficiency - creating new requirements, processes for rebates and approvals that might tie up \$\$ and increase the time, decrease the reliability of rebates
2. DCSEU originally proposed a single administrator through DCSEU so there would be only one customer-facing entity, but that was not agreed upon, so the split of the building list is the compromise.
3. DOEE: Building owners can work with whichever entity they prefer. The assignments are for marketing/customer acquisition purposes.
- iv. Alignment of programs with DCSEU?
1. Task Force interested in mitigating market confusion and worried that splitting the market will create a lot of confusion.
2. Comments: How do they know who they are assigned to? Does the building owner need to know where to go to apply for their funding or is that behind the curtain? Many attendees concerned that we're creating more confusion by adding another place for owners to apply.

We need to remember that any confusion will cost money to rectify and that will cost rate payers to clear up once the budget clock starts ticking. Is it within our purview as Task Force members to recommend to DOEE and the Mayor that this doesn't make sense? Several attendees agreed to this statement: "The point stands that this is going to cause a lot of confusion for owners and has the potential to create varying incentives based on the luck of the draw."

3. Comment: Will DCSEU commit to the same process that allows all building owners equal incentives and BEPS compliance if they are in a DCSEU building?
4. How does the tune-up specialist for the prescriptive Pepco program work? Pepco plans on aligning with the DOEE structure to make it easy on the customer and details will be refined as the Pepco program is implemented.
- v. How much has Pepco interacted with DOEE to figure out the details? Interaction up to this point has been limited but Pepco hopes that will increase in the future. DOEE: DOEE has started regular meetings with partners, including Pepco, to work out common language use, developing collateral, and decreasing market confusion.
- vi. Are the incentive funds only available to BEPS non-compliant buildings? On the BEPS side, Pepco will be servicing only the buildings on their list. But they will have several other programs, just like the DCSEU, that service buildings outside of the BEPS non-compliant list. All current incentives and rebates from DCSEU are still available to everyone eligible.
- vii. Is Pepco going to be offering on-bill financing? Pepco believes it will only be available to the small business program, but that has not been finalized. TF members hope Pepco will do some engagement in the commercial building sector before making the decision to offer this (creates issues for tenant pass-throughs). The question around on-bill financing was related to only if they were to offer payment of prescriptive measures on-bill (for any expenses above what the rebate would cover), understanding that the program would be funded through volumetric surcharges.
- viii. Issue about Pepco's interaction with commercial accounts when the building owners use third-party utility bill account management. Member expressed caution to Pepco in thinking about offering utility bill engagement when many commercial owners don't see the bills.
- ix. Question on if building owners would like check-ins on progress made on BEPS from Pepco/DCSEU/WGL based on the incentive program they are using, or if they would prefer it coming from DOEE? Members expressed they'd rather have that kind of progress-check from the regulator.
- x. How is Pepco's BEPS programs going to interact with Pepco's ICast affordable housing program. Pepco speaker did not have enough familiarity with the ICast program to answer the question, but did state that it is a separate program under a separate PSC filing and has a different budget source.
- xi. Will Pepco do fuel switching that also saves energy (e.g. replacing boilers with electric heat pumps)? Pepco would consider it, but they have to specifically reach an energy savings goal and how to quantify that with the PSC and educate the PSC on how to do that.

- xii. Additional questions asked in chat that either could not be answered because the PSC filing details have not been finalized or the Task Force meeting ran short on time:
 - 1. Will Pepco share AMI data with DCSEU and DOEE?
 - 2. What Pepco costs will be recuperated via base rates? How does the "on bill financing" work?
 - 3. For future discussion, I think there needs to be a better general understanding of the actual utility programs under the Clean Energy DC Omnibus Act (linked above), also more general clarity regarding how Pepco programs will be financed.
- 6. Overall Agenda/Topic review (slide 27)
- 7. Next Meeting – June 22 (slide 28) – *holding June 8 meeting tentative for one more week*
- 8. Announcements
 - a. HAND & NHT BEPS Workshop for affordable housing - June 10th, 12:00-2:00: “What help will building owners need to comply?” <https://www.handhousing.org/training-engagement/2020-2021-training-capacity-building-series/#june>
 - b. DOEE hiring for BEPS Outreach and Operations Lead
 - i. <https://careers.dc.gov> Job ID: 13203
 - ii. Please note the closing day is listed as May 30, but that will be extended
 - c. Montgomery County, MD will have public hearing on their BEPS legislation - date was originally June 15 but discovered after the TF meeting that it’s been postponed with no date announced at this time.
 - d. Federal Government looking to pass a BPS – see [IMT’s blog](#)
 - e. May 27 BEPS Monthly update webinar will discuss the final BEPS establishment rules. Sign up for June 24 at [Eventbrite](#)
 - f. Building Innovation [Hub series](#) “What will it take? Carbon free buildings in 2050”
- 9. Closed meeting at 4:34pm