BEPS Task Force Meeting Notes March 30, 2021

Task Force Member Attendees: Katie Bergfeld, Patti Boyd, Jen Croft, Marshall Duer-Balkind, Dave Good, Max 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 Hoffsommer, Michael Feldman-Wiencek, Katherine Johnson, Cet Caldwell, Kevin Carey, Michele Good, Nathan Jeffay, Sean Fish, Joe Knackstedt, Gerald Gloria, Brendan Hall, Chris Pendley, Scott Emery, Renee McPhatter, Aykut Yilmaz, Brian Snyder, Ed Fisher, Juan Allen, Kehan Desousa, Mikel Solupe, David Glass, Gabrielle Sosa, Dave Epley, 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. Public Comment Summary (slide 6)
 - a. Summary of different types of comments by rules section
 - b. Not reviewing all comments at the meeting, but want to gather feedback or clarification on several subjects. Discussions today do not necessarily represent final DOEE decision.
- 3. Permanent Compliance (slide 7)
 - a. Appendix Z requires performance beyond code, onsite renewables, and offsite renewables when onsite options are exhausted; If Appendix Z's EPI is easily translatable, I think it makes a lot of sense to establish that as the BEPS target. DC just started the next code cycle so any updates could be written into the next iteration of the DC energy code
 - b. ILFI certification, ILFI is performance based
 - c. Is the standard ever going to be more stringent than net zero where we need to examine setting net zero standards? If DOEE could set a long-term goal, would help with uncertainty for future cycles. Future decisions around GHG standard make this concept uncertain
 - d. Question on source vs. site and how much offsite solar would be allowable
 - e. What's the sweet spot between building the net zero and how many cycles you comp versus maintenance of performance? Similar to the Science Based Targets approach to GHG targets. Taking a similar approach, at what point does a building's performance align with the building's "fair share" of reduction, when also considering the District's renewable energy targets at the same time
 - f. Right now, an owner designing to net zero is already doing so much better than 99% of the rest of DC buildings
- 4. New Proposed Penalty Structure (slides 8-10)
 - a. 10K square foot bins
 - i. TF supports the delineation of max fines in 10k sf increments rather than the larger buckets.
 - b. \$10 per square foot base
 - i. Still sounds high

- c. Pre-adjustment factor for Standard target pathway
 - i. Good to provide on an estimated basis for the pre-adjustment factor
 - ii. Adjustments make it more fair for buildings that were higher performing before BEPS considering the high-performing property types of office and multifamily
 - Several providers stated they have clients who have made significant improvements to their buildings and run their buildings very well, but still fall just short of the ES score.
 So, this kind of adjustment does make the program more fair... however, it would reduce their incentive to take the next steps toward decarbonizing.
- d. Post-Adjustment Factor
 - post-adjustment factors more generally should be based on the metric used for determining compliance. So if you had building taking the standard target path and using source EUI because they don't get an ES score, then it would be based on source EUI
- e. Question if the Campus penalty structure has changed. DOEE: this may not be the same for campuses, still working on it.
- f. Question if public comment on penalty exemption for good faith effort during the initial cycle is being considered? DOEE: There is a process for requesting exemptions or delay of compliance for hardship, etc. If the building owner needs to explore those options, I think they should reach out to DOEE to discuss compliance options. "Good faith" is tricky to define in legal terms that can be enforced.
- 5. Reporting Deadlines (slide 11)
 - a. Commercial reps like multiple items on one day, rather than multiple deadlines
 - b. Voting in chat reflected they like one date so April 1 it is
- 6. Early Compliance Incentives (slide 12)
 - a. Comments:
 - i. If a building complies by year 2 or 3, perhaps DOEE can give buildings the green light as long as their 2026 performance is within x% of their target, where x is the extra energy they saved with early compliance.
 - ii. The sooner energy use is reduced the more overall impact it has on mitigating climate change. So, the value of kWh saved in 2022 is more than on saved in 2026. Could that be quantified?
 - b. Much of TF is in support on fleshing out this idea to help with building waiting until the last minute and overwhelming resources. Would help spread out the resources over the 5 years instead of waiting until year 4 or 5.
- 7. Legislative changes (slide 13)
 - a. Items on the slide cannot be changed through rulemaking need a legislative change
 - b. DOEE would like to leave for a future meeting and have the right people in the room to lead the legislative discussion
- 8. RCx Subcommittee update (slide 14)
 - a. Had first meeting members providing feedback through survey. Hope to provide recommendations at next TF meeting
- 9. Webinar update (slide 15)
- 10. Next meeting (slide 16-17) will keep April 13 tentative meeting on the calendar for now. Will make the call next week and update through email.
- 11. Announcements (slide 18)

- a. DOEE benchmarking deadline is April 1
- b. DCSEU taking applications for <u>benchmarking fellow</u>
- c. Open position in the Urban Sustainability Administration at DOEE! Come and join the DC Department of Energy and Environment's Urban Sustainability Administration working on product stewardship! The Program Analyst (Product Stewardship) leads DC's recycling programs for electronics, paint, batteries and other products as new programs start. Apply by April 15, 2021 at <u>https://careers.dc.gov/</u> using Job ID #12644.
- 12. Meeting closed at 4:10pm