**SEU Advisory Board Meeting**

**Minutes**

**May 14, 2019**

**Call to Order**

Chair Corman called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) to order at 10:10 AM, May 14, 2019 at the Department of Energy & Environment (DOEE), 1200 First St., NE, Washington, DC.

**Roll Call/Introductions**

Roll call was taken and the following people were in attendance:

**Board Members:** Bicky Corman, Cary Hinton (proxy for Willie Phillips), Dr. Donna Cooper, Scott Williamson, Laura Vendetta (proxy for Nicole Steele), Millie Knowlton

**Board Members on the Phone:** Sandra Mattavous-Frye, Sean Skulley

**Absent Board members:** Farah Saint-Surin, Nina Dodge, Richard Graves, Kirsten Williams

**Other Attendees:** Taresa Lawrence (Deputy Director, DOEE); Lance Loncke (Sr. Program Analyst, DOEE); Lynora Hall (Staff Assistant, DOEE); Ted Trabue (Managing Director, DCSEU); Patti Boyd (Senior Technology Strategist, DCSEU); Bernice McIntyre, (WGL Energy Systems); Alex Lopez (DOEE); Adrienne Mouton-Henderson, (Office of People’s Counsel); Crystal McDonald (DCSEU); Tamara Christopher (DCSEU); Robert Kelsey (DOEE); Shawn Fenstermacher (DCSEU); Karen Blyton (DCSEU); Crystal McDonald (DCSEU); Shelley Cohen (DCSEU); Alisa Waters (DOEE), Jay Wilson (DOEE)

***Meeting:*** <https://www.youtube.com/watch?v=OHgPgQF0VZE>

***Approval of Agenda***

The motion to approve the agenda was made by Ms. Millie Knowlton, seconded by Mr. Cary Hinton, and unanimously approved by the Board.

***Review and Adoption of the April 9, 2019 Minutes.***

The motion to approve the April 9, 2019 minutes as amended was made by Ms. Millie Knowlton, seconded by Mr. Cary Hinton, and unanimously approved by the Board.

***Ted Trabue – DCSEU Quarter 2 Achievements***

Mr. Trabue presented an update of the performance benchmarks, and reminded the group that DCSEU is in the middle of a five-year contract with DOEE. He provided the cumulative and annual achievements in two charts.

* Reducing per-capita consumption of electricity, is at the maximum of 101%
* Reducing per-capita consumption of gas is at maximum 94%
* Increase renewable energy generating capacity is at 147%
* Leveraging funds are about 13% - DCSEU stated they have received grants from the Marriot Foundation, BB&T and other grants.

In the low-income housing spend, 20% must be spent in the low-income community. Clinics and shelters are included in the spending. The Income Qualified Efficiency Fund is where the DCSEU’ contractors go out and meet with owners of low-income properties and they bring back a cost share to DCSEU, and the owner of the property pays a percentage of the work that is being done.

The benchmarks through March 31, 2019 are as follows:

* Low-income housing spend – 34%
* Energy efficiency in low-income housing – 59%
* Green collar jobs – 58%
* DCSEU general and administrative expenses – 39%
* Expenditures with CBEs – 13%
* Electric energy efficiency – 55%
* Natural Gas energy efficiency – 42%

***Shelley Cohen – Solar for All***

CREF Projects

* Letter of Intent (LOIs) with 6 companies, 3 companies under contract
* Enough solar for 51 CREF project with output designated for DOEE
* $8,600,000 in incentive designated for these projects
* Output will be designated for low-income residents
* Total of 7 MW to be built

Single Family Projects

* LOIs with 4 companies
* Enough solar for 130 income qualified homes
* $895,175 in incentives designated for these
* Total of 500kw to be built

Installers and contractors are in the field and working on the contracts. Solar for All currently has 81% of total incentives under contract. This represents $7,478,967 in incentives out of $9,600.000. This represents 6.1MW out of 7.4MW. Lastly this represents the approximately $5.5 million in CBE spend.

Chair Corman asked if the program details provided were annual or multi-year. Ms. Cohen answered that it was on an annual basis, and explained how they worked with contractors to derive those metrics for the Solar for All Program in FY 19, based on the available funding they have. Chair Corman asked if there was a waiver for the CBE obligation for the first year for solar. Dr. Loncke answered when it comes to CBEs, it is a requirement because it is part of the overall contract. The six million that Mr. Trabue mentioned for CBEs included the Solar for All Program. However, he clarified Green Jobs is not a goal required under Solar for All.

Chair Corman asked a related question to Mr. Trabue regarding contractors who were upset about the pace with which they were paid and how this matter is communicated with CBEs. Mr. Trabue said payments must be rendered to contractors within thirty days of submission of a validated invoice, to be paid under the Quick Payment Act. Dr. Loncke stated the contractor sends the invoice to DCSEU, and DCSEU reviews the invoice and has thirty days to make payment after everything checks out on the invoice. There are also quarterly reports required by the Department of Small and Local Business Development (DSLBD). On these reports, the CBE vendor would verify the amount from the DCSEU as a result of the work they were doing. Also, DOEE’s annual financial audit looks to see if payment has been made to the CBEs. Dr. Loncke said a CBE can call DOEE to investigate their payment issue. Also, the DCSEU makes payment to the vendor before they receive payment from the District Government. Ms. Mattavous-Frye stated that the Board should look at how to expedite payment issues. The payment clock can stop for the portion of the invoice in question. The clause is spelled out in the contract about the Quick Payment Act provision. Chair Corman said that the board should schedule lesson learned on the agenda in July.

Mr. Trabue thanked Dr. Cooper for bringing her solar team to the table with DCSEU. DCSEU started to talk to PEPCO about the interconnections that would be a part of program, which is the largest development in history of the city. PEPCO has been essential with interconnections facilitated in a timely manner. So Dr. Cooper brought resources to the table and DCSEU has already given PEPCO the locations where these projects will be installed so they can help facilitate the interconnection process.

Chair Corman said that the Board should schedule and develop a Lessons Learned document for Solar for All. DCSEU said they are currently preparing a similar document and would have more information to share later in the fiscal year as the program progresses. Chair Corman also requested discussion on DOEE’s prioritization schedule for community solar subscriptions and an update on the outreach schedule, so DOEE will follow up with the Board regarding this matter.

***Dr. Lance Loncke – SEUAB Working Group Meeting Recap***

Dr. Loncke provided a report regarding the initial working group meeting held during the previous month in April with the DCSEU, SEUAB and DOEE to discuss the Clean Energy DC Legislation and the required laws in Title II of the Act. The utility companies are required to consult with DOEE prior to submitting their programs to the Public Service Commission of the District of Columbia (PSC). The meeting participants discussed whether or not they wanted to have a cohesive approach to providing the recommendations. So DOEE and DCSEU have put together a schedule so they can start working on these issues in a timely manner, beginning June 5, 2019. DOEE and DCSEU plan to have bi-weekly meetings that will be for one hour. They have broken up this work into three core areas: 1) The DCSEU’s existing programs, and any pilot programs soon to be launched; 2) The EM&V criteria, including savings goals and target performance, and the types of cost effectiveness tests that should be applied to utility programs; and 3) The cost recovery mechanisms required for the programs The intent is to move forward in a working group approach where the DCSEU and DOEE welcome any members from the Advisory Board that can participate in the biweekly discussions to work through each of these core areas, to come up with a consolidated set of recommendations for the PSC to consider or for the group to take to the working group convened by the PSC.

Dr. Loncke said the official PSC working group has ninety day to come up with its recommendations. When DOEE, DCSEU and the SEU Advisory Board come to the table they will not be starting from scratch. Chair Corman stated the working group report will be technically due January 1, 2020.

With regard to the Board’s Annual report, Dr. Loncke said the DCSEU’s EM&V report will be delivered in June and he intends to give the report to the Board, with a week or two to review the report to give comments or feedback before he incorporates into the final. So if DOEE assumes the final EM&V report is issued late June, the Board has ninety days to complete the

Board’s Annual report, so it will be issued before PSC’s the working group is convened.

***Bicky Corman - Review of DCSEU Performance Benchmark and tracking goals***

Chair Corman reviewed the last page of the Board’s Annual report with the recommendations. She raised the concern regarding the DCSEU’s five year contract with set goals, and the impact of changes to the performance benchmarks, which could frustrate the work that was already in process, as well as the DCSEU’s ability to achieve the five year metrics. The Board recommended changes in its annual report, and would like to facilitate a thoughtful discussion that would not interfere with the DCSEUs ability to plan. Chair Corman said there are a couple of questions for the Board to consider. At some point DOEE is going to be getting the RFP ready for the next contract and it would be appropriate to include all of the things in the next contract which is down the road. Dr. Loncke stated this contract has an option period and if the District chooses to exercise that option period it would not begin the RFP process. However, benchmarks can be changed as long as there is an agreement between the DCSEU and DOEE without changing the whole contract.

He noted DOEE has stayed away from changing the benchmarks in legislation, although there have been legislative changes made to benchmarks before. The law has four benchmarks that are required for the contract. If we want to move away from the four benchmarks, then we need to look at changing the legislation first. The Board can make a recommendation to change the legislation. Then DOEE can start doing the necessary research to make sure we are setting the right metrics for the benchmarks. Chair Corman said the DCSEU was working on tracking non-energy benefits so it may be helpful to have that discussion.

Dr. Loncke stated the EM&V report the Board will see at the end of the month measured the amount of CO2 reductions which are greenhouse gases. He said he also consulted with DOEE’s climate folks who do the greenhouse gas registry for the District, and since 2013 they can show clearly what percentage of the District’s total reduction is attributable to the DCSEU’s programs. He also clarified the Societal Cost Test. One of the benefits of the DCSEU’s programs is related to health, that is separate from tracking the total amount of carbon reductions that are coming out from DCSEU.

Chair Corman stated one of the things the Board should be focusing on is the issue of converting to lifetime energy savings because it does require research. Also, the issue of Peak Demand reduction tracking goal, because the question is whether there should be a legislative change to go back to a performance benchmark rather than a tracking goal, and does it belong here or get appropriately pushed over on the utility side of the record.

Dr. Lawrence said that it would be helpful to find out or recall the reasons the benchmarks were changed from actual metrics to tracking goals, with the performance bonus and penalty structure of the contract. When it was an actual performance benchmark, the DCSEU did not actually administer any DR programs but through their efficiency work there was a similar type of conversion to determine the impact on peak demand. So based on the way the compensation scheme was written for that performance benchmark, the DCSEU was able to hit the goal without actually doing any DR specific programs that would attack the peak demand. She said the rationale for wanting to bring it back to an actual benchmark would be helpful just to talk through. Chair Corman suggested they discuss peak demand and conversion from year one to lifetime energy savings, and recommended putting it on the agenda. The suggestion was made to make it a subcommittee discussion, and follow up with a Board agenda item in July. Board members Scott Williamson and Sandra Mattavous-Frye agreed to participate.

Chair Corman requested a discussion at the next meeting on lifetime energy savings, and the following month on Peak Demand Reduction. Dr. Loncke agreed that the subcommittee can research the lifetime issue to show the Board what is involved.

***Robert Kelsey – Legislative Update***

Updates were provided regarding the next steps for Green Building Codes which were still under review, and the proposed Electric Vehicle Readiness Amendment Act of 2019 was discussed, introduced by Councilmember Cheh.

***Jay Wilson – DC Green Bank***

Mr. Wilson provided an update regarding the status of the Green Bank, said DOEE is waiting for all of the Green Bank board members to be appointed. Confirmation hearings at DC Council were scheduled for May 20, 2019.

**Other Matters**

* None

**Actions taken by the Board**

* Approval of May 14, 2019 meeting agenda
* Approval of April 9, meeting minutes

**Actions for the next Agenda**

* Discussion on Lifetime energy savings/GHG reductions
* Peak Demand benchmark (July meeting)
* Prioritization Schedule for Subscriptions (DOEE – later in the year)
* Lessons Learned document for Solar for All (DCSEU – later in the year)

**Adjournment**

* Chair Corman adjourned the meeting at 12:10 PM.

*Minutes prepared by: Lynora Hall*