**SEU Advisory Board Meeting**

**Minutes**

**6/12/2018**

**Call to Order**

Chair Corman called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) to order at 10:15 AM, June 12, 2018 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, Sean Skulley, Betty Ann Kane, Millie Knowlton, Nicole Steele, Kirsten Williams, Donna Cooper

**Board Members on the Phone:** John Mizroch, Leni Berliner, Sandra Mattavous-Frye, Sean Skulley

**Absent Board members:** Jared Lang

**Other Attendees:** Tommy Wells (Director, DOEE); Taresa Lawrence (Deputy Director, DOEE); Lance Loncke (Associate Director, DOEE); Hussain Karim (Assistant General Counsel, DOEE); Lynora Hall (Staff Assistant, DOEE); Adrienne Henderson (Assistant People’s Counsel, OPC); Ted Trabue (Managing Director, DCSEU); Marcus Walker (Director of Operations, DCSEU); Angela Johnson (Director of Finance, DCSEU); Tamara Christopher (Financial Planning and Analysis Manager, DCSEU); Ben Burdick (Marketing and Communications Manager, DCSEU); Patti Boyd (Senior Technology Strategist, DC Sustainable Energy Utility or DCSEU); Yohannes Miriam (Senior Economist, OPC); Marshall Duer-Balkind (Program Analyst, DOEE); Patrice Brooks (Low Income Program Manager, DCSEU); LaKeisha Lockwood (Energy Program Specialist, DOEE); Bernice McIntyre, (Washington Gas); Bob Jose, (Chief Financial Officer, DOEE); Jay Wilson, (DOEE); Vilma Castro, (DOEE); David Hill, (VEIC); Rob Kelsey, (DOEE); Drew Renzi, (DOEE)

***Board meeting live stream link:*** <https://www.youtube.com/watch?v=ySuo-P93jFk>

***Approval of Agenda***

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

***II. Official Business***

***Review and Adoption of the May 8, 2018 Minutes***

The motion to approve the May 8, 2018 minutes was made by Ms. Nicole Steele, seconded by Ms. Millie Knowlton, and unanimously approved by the Board.

 ***Update on Low-Income Benchmarks (11:55)***

Mr. Ted Trabue mentioned that at the last Board meeting there were two questions put on the table from the Board. He stated that in response, the DCSEU will provide a presentation, given by Ms. Angela Johnson, Finance Director , which will address the Board’s question about the Low-Income Program. The DCSEU will address the difference regarding how the DCSEU operated from 2011-2016, where 30% of the funds where spent in the low-income space, with the new contract where it calls for a 20% spend in the low-income space. Ms. Johnson will take the Board through a before and after look at the program. There was a question from Ms. Sandra Mattavous-Frye about breaking down the types of expenditures under the low-income benchmark vs. single family, multi-family, clinics and shelters. Mr. Trabue said a numeric breakdown will be provided on a dollar and percentage basis of how much is spent in those different categories.

***Angela Johnson (16:00)***

Ms. Johnson stated there have been many questions on how DCSEU calculates the low-income spend prior to the contract modifications. She said her PowerPoint will address prior questions from the Board. There were no changes in the denominator. The denominator represents total cost. The change was within the numerator. Prior to the modification, they did a total direct and total indirect income spend. On the chart there is a breakout cost and this section changed after the modification. Last year the total cap was 20% and the DCSEU did 18.1% of that percentage. The 93% is in the direct incentive, contract and subcontract payments. A sample monthly invoice was presented for discussion. The chart showed the types of incentives which were paid out, like multi-family - 71%, shelters - 10%, and the DC Central Kitchen - 4%. Subcontracting incentives were about 95% of the spend last year. Ms. Pattie Boyd stated that$1.3 million went to CBEs which calculates at 38%. They invested in lightbulbs and energy kits. When putting together the low-income budget they looked at the types of projects to do within the targeted budget.

***Proposed DCSEU Contract Modifications (41:24)***

Dr. Lance Loncke stated a draft of Modification 4 was sent out to the Board for comments about two weeks ago, but DOEE did not receive any comments. He summarized this modification and said it is to add $375,000 that the DCSEU received from their work with PJM. They bid efficiency savings in the PJM and received quarterly savings. Funds from t PJM go back into the DCSEU operations to expand programs. There is also funding for Solar for All beginning in 2018 and over the next three fiscal years. The intent is that the $250,000 would be for the DCSEU to start developing the program plan, hiring staff and putting all of the pieces in place so that the program can be operational by October 1, 2018. This fund will not impact the DCSEU benchmarks. The other changes are cosmetic and academic because they need to make sure that in certain areas of the contract, that the funds being added for the Solar for All Program does not comingle or distort the funding in the SETF. They want to keep those parts of the funding separate. The SREC program is coming out of the $18 million. This is a separate program funded through the SETF. When funds from this program comes in it goes back into the SETF.

Director Wells stated that the fund which comes back in does not touch the Solar for All Program. He suggested that a presentation on Solar for All be presented to the Board.

***Updates***

***Legislative (54:37)***

Mr. Robert Kelsey said that the Green Finance Authority Act passed final reading during the previous week, which is for the Green Bank. The Green Bank will become effective once the Mayor signs the bill. Director Wells stated that they will be moving forward aggressively to get the Board appointed. The City Council goes on recess July 15, 2018 so there will not be a Board appointed until the end of September or early October. The Board will make decisions about hiring. The pieces are being put in place for the Board to manage.

The 100% Renewable Portfolio Standard Expansion Amendment Act is currently under the City Council’s consideration that will decide on business and economic development. They distributed the Distributed Energy Resource Authority Act which is under the Council’s consideration with the Committee on Economic Development with Councilmember Kenyan McDuffie. This bill may not be passed this year. Clean Energy DC, the final version, is currently being reviewed by the Mayor’s office.

***Executive (1:09:23)***

Director Tommy Wells said there is a concern that so much money is coming through the agency. DOEE is the largest grant maker in the city. He expressed concerns to Councilmember Mary Cheh that DOEE wants to be very transparent and accountable with the funding coming in, especially with the REDF. It came in a couple years ago at $6 million, then $26 million so moving funds through the agency with a variability of $20 million is to make sure we are doing it right. DOEE will be bringing in an outside assessment to primarily look at REDF and the purpose of the funds and our utilization so that there are no surprises. This also applies to our contract with the DCSEU as it relates to the Solar for All Program. They have asked the City’s auditor to audit the fund, and Director Wells noted that a representative from the City Auditor’s Office was in attendance at the Board meeting. Dr. Taresa Lawrence indicated that the contract for the auditor has been out for about two weeks.

***Clean Energy DC (1:16:14)***

Mr. Marshall Duer-Balkind stated that the draft Clean Energy DC Plan is currently with the Office of the Mayor and is being reviewed. Over the course of 2017 DOEE had a one year public review and received comments. In 2017 meetings were held in all wards of the city with three citywide meetings. They collected three-hundred surveys, eight-hundred telephone surveys and an equity roundtable was held with local and national equity experts who addressed equity and affordability. When the final plan is released it will be accompanied with a comment response document with one-hundred and fourteen topics to comment on. They made updates to the plan with comments received. They have improved the modeling for the plan so they are projecting if all of the actions in the plan are achieved the District could save a reduction of 56% Greenhouse Gas Emissions relative to the 2006 baseline. A chapter on equity was added and they updated twenty different actions in the plan to address the impact of equity. They added actions on energy planning for government operations. The public wanted more on public transit so DOEE brought in a subcontractor and they came up with specific recommendations about zero emission electric busses.

Director Wells spoke on the Carbon Tax movement, which has increased some thoughts on providing an alternative. The District needs to provide guidance on where this city is going in meeting the clean energy bills. The Clean Energy DC Plan is a road map. Interestingly, what has been seen as a Carbon Tax proposal, has been substantially changed to align more with the Clean Energy DC Plan. There is a lot to be gained in a city that does not generate a lot of energy from fossil fuels; there is a lot more to be gained from energy performance standards. DOEE has a track record of gathering data on buildings over 50,000 sq. ft. that has to be reported. DOEE is looking at the possibility of a building performance standard requirement into law with graduated goals, to get us to the goals that the Mayor and City Council have set. In terms of timing, DOEE had a contract out through C40 that helped fund the study. Because of the Carbon Tax, people have come to talk to DOEE, including DC BIA, Federal City Council, AOBA and the Chamber.

***Sustainable DC 2.0 (1:44)***

Ms. Kate Johnson said they are currently working on an update on the Sustainable DC plan; the plan turned five years old this year. Ms. Johnson passed out a Sustainable DC 2.0 progress report to the Board. DOEE embarked on a process to update the plan that started this time last year with working groups, a team of experts, a team of technical experts, and working with the Integral Group who also worked on Clean Energy DC with revising the goals and actions on the plan. DOEE is about to release for public comment an outline of the plan which will be released on June 14, 2018. They are trying something new by using a website called Civic Comments; people can give detailed comments on the plan. Ms Johnson said DOEE will get with the Advisory Board sometime in July to discuss actions related to the DCSEU. The outline will be out for a month for public comment. The final updated Sustainable DC 2.0 report will be complete by the end of the year.

***Building Energy Codes (1:47)***

Mr. Jay Wilson said that the Building Energy Codes are very important for the District to achieve Net Zero. It raises the bar for all construction projects. The building codes move everything forward to achieve a standard. This will be the 2018 DC Codes; the Energy Conservation Code is probably the most changed in any of the different code books. This is the first time the District is including efficiency requirements for residency new construction, including a provision that all new residential construction is solar ready. On the commercial energy side the energy conservation code would result in about 15% paid efficiency compared to the current building code. There are two ways to achieve this: 1). A prescriptive pathway with various categories; and 2). A performance pathway with 2016 baseline codes. They have adopted Appendix Z which is a voluntary Net Zero Energy Performance Pathway that any project can volunteer to design any project. The Construction Code Board and the technical advisory groups felt that by including this in the code language it gives the industry a place to aim for, and gives the DCSEU, DCRA and other agencies an option for incentivizing that voluntary code updates to a higher performance. The Construction Code Board completed the development review of the code and we have forwarded the approved codes to the Mayor’s office. It is currently with OPLA for approval, then it will be provided for public comment. Each public comment period is open for sixty days and adoption is made by the City Council

***SEUAB Conference Debrief (1:56)***

Ms. Leni Berliner provided a summary of the training several Board members attended.

**General Updates**

**Old and New Matters**

*Summary Action Items*

**Actions taken by the Board**

* Approval of May 8, 2018 meeting agenda
* Approval of May 8, 2018 meeting minutes

**Actions for the next Agenda - DOEE**

* Presentation on Solar for All, including role of DCSEU
* Keep the SEUAB updated on legislative activities
* Update website with SETF revenue in CAEA reports
* PJM presentation at an SEUAB meeting

**Adjournment**

* Chair Corman adjourned the meeting at 12:08 PM.

*Minutes prepared by: Lynora Hall*