**SEU Advisory Board Meeting**

**Minutes 8/21/2018**

**Call to Order**

Chair Corman called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) to order at 10:15 AM, August 21, 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, Millie Knowlton, Kirsten Williams, Donna Cooper, John Mizroch Karen Sistrunk (proxy for Sandra Mattavous-Frye)

**Board Members on the Phone:** Betty Ann Kane, Nicole Steele

**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, DCSEU); Yohannes Miriam (Senior Economist, OPC); Patrice Brooks (Low Income Program Manager, DCSEU); David Hill, (VEIC); Rob Kelsey, (DOEE); Drew Renzi, (DOEE); Shawn Fenstamacher, (DCSEU); Alissa Waters, (DOEE), Marc Nielsen (DOEE), Dan Cleverdon, (DOEE); Karen Sistrunk (OPC), Nora Hawkins (DOEE); Anna Lising (DOEE); Emil King (DOEE).

***Board meeting live stream link:*** <https://www.youtube.com/watch?v=NZ14vlDU6LU>

***Approval of Agenda***

The motion to approve the agenda was made by Dr. Donna Cooper, seconded by Ms. Kirsten Williams and unanimously approved by the Board

***II. Official Business***

***Review and Adoption of the June 12, 2018 Minutes***

The motion to approve the June 12, 2018 minutes as amended was made by Ms. Millie Knowlton, seconded by Mr. Sean Skulley, and unanimously approved by the Board.

***Review of DCSEU Contract Modification #5 and #6 (18:15)***

Dr. Lance Loncke stated that Contract Modification #5 is an administrative modification. $1.4 million on line 3 included any performance incentive from FY17 the DCSEU was eligible for, along with FY18 performance incentive. NMR Group, Inc. will present the EMV results later. He explained the modification shows the performance incentive has been reduced from $1.4 million to $820,000. The DCSEU has to complete programs in the scope of work services. The incentive paid to the DCSEU was $773,000. This contract will be sent over to VEIC for their signature and then back to the contracting officer to execute this modification.

Modification #6 includes an increase in the DCSEU contract value over the next three years to account for the Solar for All program that has been discussed with the Board, and to implement the emergency HVAC program by the DCSEU. Modification 6 includes $33 Million over the next three years. The plan is to add to the DCSEU’s contract - $13 Million in FY19 and $10 Million for FY20 and FY21. Mr. David Hill will give a presentation on the Solar for All programs to show how the DCSEU will implement the program beginning October 1, 2018.

The Emergency HVAC Program is an expansion of the program that DOEE usually administered on a yearly basis, the distinction being the income requirement has vastly increased. It has moved up to 80% AMI to be in alignment with a number of program offerings the DCSEU has. This program will provide emergency replacements of their heating systems during the heating months. DOEE has set-aside $1.3 million for this program. Chairman Kane asked why we are using SETF money and why we are not installing more efficient furnaces at 94% efficiency. Mr. Trabue said they are more expensive. Director Tommy Wells said the DCSEU will do an analysis to see if adding their own contract funds would be consistent with their performance measures, to increase the efficiency to the next level, considering how the program was budgeted. It was stated that increasing the level of efficiency of the heating systems from 80 – 85% to 94% would increase the cost from 50% - 100%. Director Wells will let the Mayor’s people know and advocate for a higher budget next year. Director Wells asked if the Public Service Commission or others could help to address the delta of the costs associated with increasing the efficiency of the systems.

Chairman Kane said there is about $4 million for energy efficiency programs for low-income households. Dr. Loncke said that Chairman Kane’s comments would be incorporated into the program design developed by the DCSEU. Chairman Corman moved on Chairman Kane’s proposal to install higher efficiency boilers. Chairman Corman’s motion was approved by Mr. Skulley and seconded by Ms. Knowlton, then approved by all.

***Presentation on DCSEU FY19 Solar for All (51:39 )***

Mr. David Hill gave an overview on the Solar for All Program. They started the Modification #4 on June 26 and are about halfway through the ninety day period to design and launch. DCSEU is looking at three years with the $33 million dollars mentioned. They are looking to have about 28 MW installed in about 8,000 households. The DCSEU has developed a new set of solar initiatives that will complement the existing Solar for All grants and activities that are in place. These solar initiatives will be a dedicated element of the DCSEU’s services funded through REDF, to promote the ability for other single family installations to start the process toward the Solar for all goals. The Solar for All incentive will be used to procure commitments with 15 years of solar energy from solar systems that will be available to provide credit to income qualified households. DCSEU will be working closely with DOEE, but their focus and objective is to design a program that facilitates the installation of new solar systems. There will be a contractual obligation for the next 15 years to serve low-income households.

DCSEU will do that with the Community Renewable Energy Facility (CREF) solicitations and through single family solicitations. The risk they see is if they put out a solicitation that promotes a Solar for All incentive for the national industry and the incentive is not rich enough. DCSEU may not get the type of responses they want to see. DCSEU will provide some complimentary service elements that will help to set the pipeline and help folks to participate. Mr. Hill stated they would like to be involved with the Board and stakeholders. There will be a stakeholders meeting next week and the Board is welcome to attend.

***EM&V Presentation on DCSEU FY17 Results (1:34:36)***

Tom Mauldin, NMR Group, Inc. stated that their job was to assess the performance with regard to the benchmarks and also verify energy savings. Because of the timeframe, they emphasized savings verification. NMR’s work mostly comprised desk reviews for selected programs. That means they reviewed the funding and tracking data from the DCSEU’s individual files from selected projects, and confirmed the accuracy for programs that did not undergo evaluation. A similar process was completed in 2017. NMR applied mostly historical realization rates (from prior years).

NMR verified results for energy savings. Electricity consumption results were 92,316 MWh and the target was 60,817 MWh, so this goal was achieved. NMR used a similar framework for the other benchmarks. The DCSEU achieved all six of the minimum benchmarks, and all but two of the maximum benchmarks. NMR provided the maximum benchmarks, and the targets were listed showing the benchmarks were achieved. The last benchmark as a five year target is leveraging external funds of about $440,000.

The Board asked NMR to provide the following information:

* Add benchmark numbers for previous years for large energy user tracking goal and show trend/comparative analysis;
* Provide peak demand usage for DC to provide context (i.e., %) for demand savings and show trend/comparative analysis;
* Research if there is any city-specific data available for comparison of costs, possibly municipal utilities from out west;
* Add 1-page executive summary up front;
* Change out cover photo;
* Provide historical Trends for Cost-Effectiveness Test; and
* Reasons why full performance targets were not achieved for Green Jobs and Low income Savings.

Dr. Loncke said any reasons why targets were missed would come from the DCSEU. NMR verifies what is given to them by the DCSEU. There are two assessments: 1) EM&V and 2) the financial assessment. The financial audit was done at the beginning of the year by F.S Taylor and Associates.

***DCSEU Quaterly Udates (2:09:08)***

Mr. Ted Trabue stated the quarter ended in June so they can provide numbers through July. The data show DCSEU has already exceeded the maximum in terms of savings for electricity for their annual benchmark. For the gas benchmark they have exceeded the minimum but they are working towards a number of projects for this fiscal year that they hope to close between now and September. CBE spending is on the low side which is where a lot of those contractors are directly working in the low income space. Those numbers are behind but DCSEU hopes to see the numbers change. A lot of those contracts were put in place in May and June so there will be a change. Mr. Trabue complimented his staff on a job well done.

***Preparation of SEUAB Annual Report***

Chairman Corman indicated that she does not want to be in the same place as last year regarding the Board’s annual report – meaning finalizing it over the Christmas and New Year holidays; she has asked Board members to volunteer to do sections, and suggested a substantially reduced report that would append the final EM&V Report, and attach one-pagers or so on particular topics. Dr. Taresa Lawrence will inform the Board on when the EM&V report is finalized.

**General Updates**

**Old and New Matters**

*Summary Action Items*

**Actions taken by the Board**

* Approval of June 12, 2018 meeting agenda
* Approval of June 12, 2018 meeting minutes
* Motion for DCSEU to install higher efficiency boilers as part of the Emergency HVAC Program.

**Actions for the next Agenda**

* None

**Adjournment**

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

*Minutes prepared by: Lynora Hall*