

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Department of Energy and Environment

DC SUSTAINABLE ENERGY UTILITY ADVISORY BOARD (DCSEUAB) MEETING

MONDAY, JUNE 9, 2025

10:00 AM – 12:00 PM

Call to Order

Chair Jamal Lewis called the meeting to order at 10:04 AM, June 9, 2025. Chair Lewis called a quorum of the DC Sustainable Energy Utility Advisory Board (DCSEUAB or Board) at 10:05 AM. The meeting was held virtually via Microsoft Teams video conference call meeting.

Roll Call/Instructions

Roll call was taken at 10:02 AM and the following people were in attendance:

Board Members

Name	In Attendance?	FY 2025 Special Meetings Attendance Record	FY 2025 Regular Meetings Attendance Record
Jamal Lewis - Board Chair (Mayor's Designee)	Yes	7/7	7/8
Mansi Talwar (Councilmember Allen)	Yes	1/7	8/8
Sandra Mattavous-Frye (or OPC proxy)	Yes	2/7	7/8
Danielle Gurkin (PSC)	Yes	0/7	8/8
Pending (Electric Company)	N/A	N/A	N/A
Eric Jones (Building Management)	Yes	2/7	6/8
Vacant (Environment)	N/A	N/A	N/A
Sidra Siddiqui (Low-Income Community)	Yes	3/7	7/8
Jaleel Shujath (Economic Development)	No	0/7	5/8
Sasha Srivastava (Renewable Energy)	No	1/7	6/8
Vacant (Building Construction)	N/A	N/A	N/A
Dr. Larry Martin – Vice Chair (Council Chairperson Mendelson)	Yes	7/7	8/8
Pending (Gas Utility)	N/A	N/A	N/A

Other Attendees: Ben Burdick (DCSEU), Tamara Christopher (DCSEU), Jahmai Sharp (DCSEU), Patti Boyd (DCSEU), Julia Ethan (DCSEU), Jake Marin (VEIC), Sagarika Subramanian (VEIC), Jennifer Johnston (DOEE), Dr. Lance Loncke (DOEE), Hussain Karim (DOEE), Kinteshia Scott (OPC), Adam Carlesco (OPC), Yohannes Mariam (OPC), Sarina Loy (Pepco)

Approval of Agenda

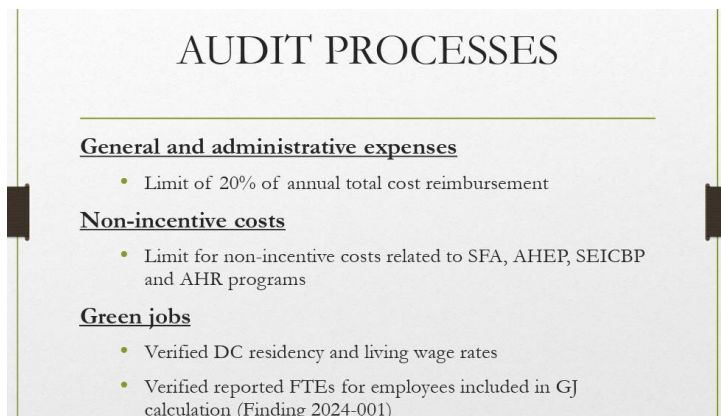
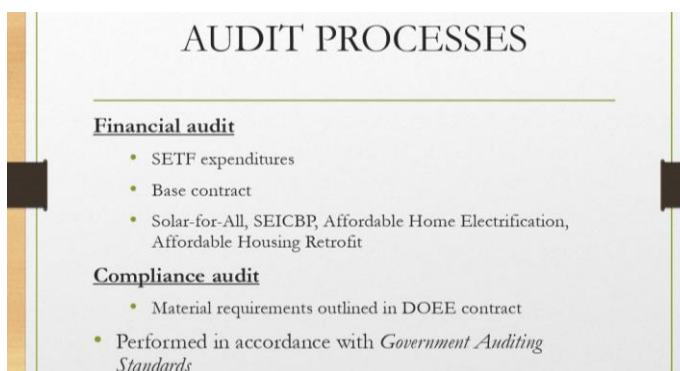
- Sidra Siddiqui moved to approve the agenda and was seconded by Vice Chair Dr. Larry Martin. All were in favor, none were opposed.

Approval of May Meeting Minutes

- Vice Chair Dr. Larry Martin moved to approve the May meeting minutes and was seconded by Mansi Talwar. All were in favor and none were opposed.

DCSEU FY24 Financial Audit

- Chris Powell (F.S. Taylor) presented on the following slides:



- Chris Powell (F.S. Taylor) mentioned that in some instances, the DCSEU double counted green jobs (for example, one week had 35 hours, but was reported as 70). Although there was a discrepancy in the number of green job hours, the DCSEU still met this annual benchmark for FY24.

AUDIT PROCESSES

Ownership of materials, data

- Verified all assets, software, etc. acquired with SETF funds properly tracked and reported
- Computers, furniture, software, etc.

SBE/CBE spending

- Minimum of 35% of contractable expenditures
- DCSEU failed to reach minimum threshold in FY24; see Finding 2024-001

- Chris Powell (F.S. Taylor) highlighted that the DCSEU spent 31% of its contractable expenditures on SBE/CBEs and did not meet the contractual requirement for the 35% spend.

AUDIT PROCESSES

Incentive payments

- Tested for sufficient documentation
- Project certifications/inspection reports prior to billing to DOEE

Subcontractor agreements

- Tested for proper approvals
- Compare expenditures to maximum contract amounts
- Verified required insurance coverages/types were maintained

AUDIT PROCESSES

Eligible costs

- Reviewed for unallowed costs as outlined in Contract
- Tested travel and employee reimbursements for documentation and compliance with per-diem rates
- One duplicative charge of \$337 noted

Low-income spending

- Minimum of 20-30% of SETF funds (sliding scale)
- Tested a sample of projects to ensure compliance with income-eligibility requirements

Total spending

- Reconciled expenditures per accounting records and amounts invoiced to/paid by DOEE

- Chris Powell (F.S. Taylor) noted a \$337 charge that was included twice on the invoices to DOEE.

RESULTS OF AUDIT

Financial Statement

- Unmodified audit opinion
- Financial statement free of material misstatements
- Fairly presented in accordance with contract requirements

Report on Internal Control/Compliance

- Two FY24 findings

AUDIT OBSERVATIONS

Finding 2024-001 – Green Jobs Reporting

- Noted a number of employees (12 of 60 tested) for whom excess hours included in GJ reporting compared to time sheets
- Issue in system used to compile GJ report led to duplicate entries
- Minimum benchmark was still met

AUDIT OBSERVATIONS

Finding 2024-002 – SBE/CBE Spending

- Contract requires minimum of 35% of total spending to be attributable to SBE/CBE spending
- Minimum threshold was not met; only 31% was related to SBE/CBE
- Repeat finding from FY23

- Dr. Larry Martin asked if FS Taylor works with DOEE and DCSEU to incorporate recommendations.
- Chris Powell (FS Taylor) said that the auditing team can provide recommendations, but the decision to move forward is between DCSEU and DOEE management. Next year if FS Taylor wins the financial auditing contract again, then their team will follow up.
- Dr. Larry Martin inquired what would happen if another accounting firm was chosen for the financial audit RFP.
- Chris Prowell (FS Taylor) mentioned that the contract requires the new auditor to meet with the previous auditor to understand any past findings.
- Chair Jamal Lewis thanked Chris Powell and his team for performing the FY24 financial audit and taking the time to present to the Board.

Budget Oversight Hearing

- Sidra Siddiqui and Eric Jones reminded the Board that written testimony can be provided up to five days after the public witness' oversight hearing.

- The Board determined a special meeting would be held on Thursday, June 12 at 8am to vote on the updated written testimony (to include numerical impacts of the Mayor’s budget and specific case studies).

DCSEU Refrigeration Pilot Program

- Patti Boyd (DCSEU) presented on the following slides:

The Problem

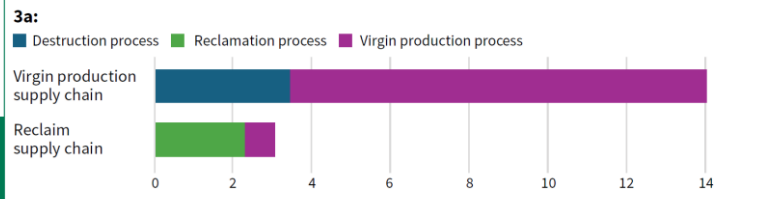
- Refrigerant emissions account for approximately **2% of total US greenhouse gases**
- Specific harm to the environment:
 - **Ozone Depletion** – Refrigerants with high Ozone Depletion Potential (ODP) and Global Warming Potential (GWP) deplete the ozone layer
 - **Climate Change** – Refrigerant leaks release potent greenhouse gases into the atmosphere, exacerbating climate change
 - **Environmental Contamination** – Refrigerants can contaminate soil, water bodies, and the air
- Production of virgin (non-recycled) refrigerants results in **higher supply chain emissions**
- **DCSEU’s offerings result in the removal** of older, higher GWP refrigerants.



The Problem

- Despite the fact that refrigerants should be properly recovered (regulated by EPA), we know that **this does not always occur**
 - [RMI-Buildings-Refrigerant-Recycling-Report](#) (Sept 2024)
 - Refrigerant recovery — a precursor to achieving maximum refrigerant reclamation — remains very low in the United States today; **only 1.6% of HFCs sold in 2020 came from reclamation.**
 - Although section 608 of the Clean Air Act prohibits individuals from venting refrigerants and their substitutes during service, maintenance, and disposal of Air Condition and Heat Pump (ACHP) equipment, **the industry estimates that close to 90% of refrigerant in end-of-life equipment is vented to the atmosphere in the United States.**" (p.11)
- Exhibit 3 (p.15)

Emissions from supply of 1 pound of reclaimed and virgin R-410A (kg CO₂e)



The Solution

- Properly reclaiming, recertifying, and reusing refrigerants **reduces waste and greenhouse gas emissions**
- Reclamation enables recovered refrigerant to be reused and **reduces the impact of new** refrigerant production on the environment,
- Reclamation of refrigerant **turns waste into resource**
- Through this pilot, the DCSEU can guarantee that our offerings only **result in the proper** recovery, reclamation, and reuse or disposal of this refrigerant.



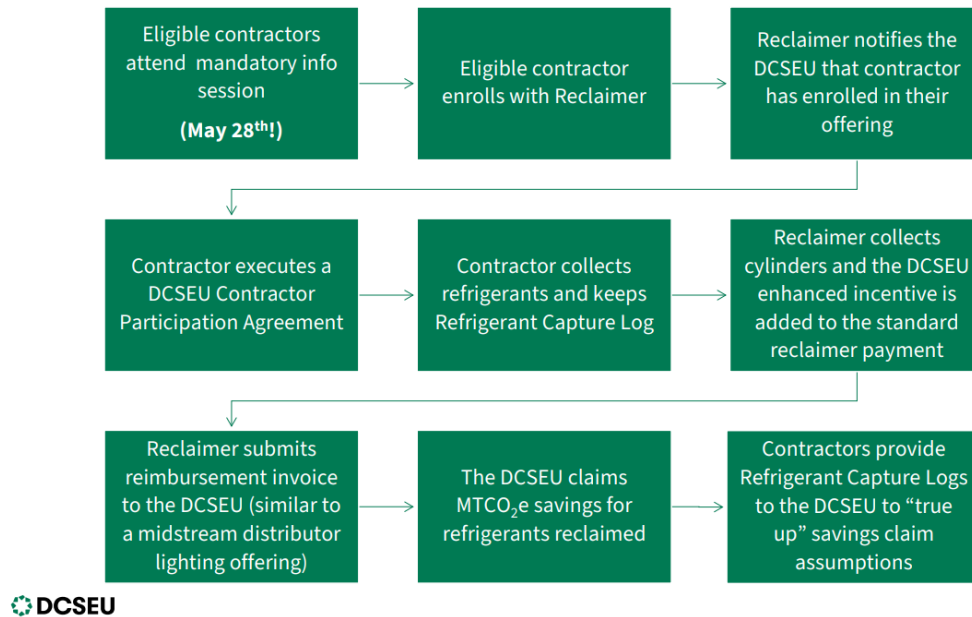
- Jake Marin (VEIC) shared that another key point is 1 lb. of leaked refrigerant is equivalent to 1 ton of CO₂ being emitted into the atmosphere. A typical home AC unit is 7-10 lbs., so that is 7-10 tons saved for each properly recovered project.
- Jake Marin (VEIC) mentioned that best-in-class recovery equipment is quicker and more flexible (in terms of what refrigerants can be recovered). Getting this equipment in our contractors' hands helps transform the market by making recovery a smoother, more efficient process.

Pilot Summary

- Designed to increase the recovery and reclamation of refrigerant in the residential and light commercial refrigeration and air conditioning/heat pump (HVAC/R) market.
- Details:
 - Ensure refrigerant is reclaimed from DCSEU projects by enrolling DCSEU subcontractors with an **EPA-certified reclaimer**
 - Provide best practices training, and an increased incentive for contractors using “**best of class**” high efficiency recovery equipment
 - Provide a “midstream” type (\$/lb) **rebate to enhance** the payment for refrigerant collected by DCSEU contractors
 - **Claim GHG reductions** toward DCSEU SETF savings goals using agreed upon calculation and assumptions methodology



RR&R Pilot Steps



- Chair Jamal Lewis asked about step six (*reclaimer collects cylinders and the DCSEU enhanced incentive is added to the standard reclaimer payment*), so the DCSEU is paying the reclaimer a standard payment?
- Patti Boyd (DCSEU) shared that the reclaimer already has a program in place (where they pay a standard payment), the DCSEU adds an enhanced incentive. Patti also shared that she would clarify the step six.
- Director Ben Burdick (DCSEU) mentioned that most contractors are paying a distributor to take care of the refrigeration, there are several reclaimer recycling services so these refrigerants are being cleaned and being put back out on the market. Contractors no longer have to pay to do this service.
- Jake Merin (VEIC) shared that most contractors were paying for refrigerant disposable. Contractors take out an old AC unit, they can either release the valve and release the refrigerant into the environment or take additional steps to pay to recycle the refrigerant.
- Masi Talwar asked if any natural refrigeration is being considered? Are District customers or contractors pursuing such technology?
- Patti Boyd (DCSEU) shared that newer heat pumps have better refrigeration, in short, yes, people are pursuing new technology with ‘safer’ refrigerants.
- Jake Marin (VEIC) shared that in the lifecycle of refrigerant management, the choice to go to natural refrigerant is decided at the front end of the refrigerant lifecycle.



DCSEU Contractors/ Relevant Programs

- Eligible DCSEU Subcontractors are those enrolled in 'Direct Contract' programs
 - *Affordable Homes Electrification Program (AHEP)*
 - Gas fired furnace/boiler/**AC units replaced with heat pump(s)**
 - *Affordable Housing Retrofit Accelerator (AHRA)*
 - Gas fired furnace/boiler/**AC units replaced with heat pump(s)**
 - Larger chiller or other cooling (e.g. SCU) replacements
 - *Income Qualified Efficiency Fund (IQEF)*
 - Gas fired furnace/boiler/**AC units replaced with heat pump(s)**
 - Larger chiller replacements
 - *Commercial Direct Services (CDI)*
 - Any building, any measure above
 - *Custom - case by case basis on DCSEU sponsored projects*
- Vice Chair Dr. Larry Martin shared that the Board and DOEE needs to create more opportunities for the DCSEU to be more innovative. Dr. Martin mentioned how pleased he is to see this innovation.

Regulatory Updates

- Hussain Karim (DOEE) mentioned that DOEE's/DCSEU's budget oversight hearing for public witnesses will take place this Friday, June 13 starting at 9am.
- Danielle Gurkin (PSC) shared that the PSC had its hearing early today and their budget would be adjusted by .01% for FY26.
- Chair Jamal Lewis asked if the DCSEU received any questions that could be helpful as the Board prepares its testimony.
- Director Ben Burdick (DCSEU) mentioned that if the DCSEU only receives funding on its base contract (SETF) then AHEP, AHRA, and SFA would be greatly affected. Unable to quantify the impact because the budget is not clear, however most of the programs that were submitted to the Federal government for funding were dependent on local funding. The worst-case scenario, the Federal funds would not be able to be used if there is no local match.
- Danielle Gurkin (PSC) mentioned that she will be listening to DGS's oversight hearing (on Thursday, June 12) to better understand the amount of SETF money DGS has used to pay its electricity bills.

New Business

- Chair Jamal Lewis asked the Board if the \$9,800 became available to the Board, what should the funding be used for?
- Jennifer Johnston (DOEE) shared that in the past the funding was used to pay a consultant to write their annual report. Jennifer suggested the Board consider using the funding to attend a local conference.
- Mansi Talwar mentioned that funding could be used to sign up for vendor training to better understand the newest technology.
- Jennifer Johnston (DOEE) and Dr. Lance Loncke mentioned that the Board has \$9,800 available, however there is currently a spending freeze across the entire District government.
- Chair Jamal Lewis proposed the Board explore the possible avenue(s) for spending the \$9,800, although a waiver would be needed to spend the funding.

- The Board discussed the summer schedule and determined to cancel the August meeting.

Follow-up items

- DCSEU to share oversight hearing remarks.
- Board to update testimony to include statistical impact and case studies.
- Board to meet on Thursday, June 12 at 8am to vote on revised testimony.
- Board to cancel August meeting.

Board Action Items

- Approval of meeting agenda
- Approval of May minutes
- Approval of special meeting on Thursday, June 12 at 8am
- Approval of cancelling the August meeting

Future Agenda Items

- Approval of June Meeting/Special Meeting Minutes
- Oversight hearing update
- DCSEU
 - Deep energy retrofits, error with U.S. DOE SEED
- FC 1182 Update
- Legislative/Regularity Updates
- New Business
 - Public Comment

Adjournment

- Chair Jamal Lewis adjourned the meeting at 11:27 AM.

Acronyms used during this meeting

- AHRA - Affordable Housing Retrofit Accelerator
- ATO - Authorization to Operate
- BSA - Bill Stabilization Adjustment
- CAEA - Clean and Affordable Energy Act of 2008
- CBE - Certified Business Enterprise
- CREF - Clean Renewable Energy Facility
- DCSEU - District of Columbia Sustainability Energy Utility
- DOEE - Department of Energy and Environment
- FC – Formal Case
- EEDR – Energy Efficiency and Demand Response
- MOTA – Mayor's Office of Talent and Appointments
- OPC - Office of the People's Counsel
- PSC - Public Service Commission
- SBCT - Societal Benefit Cost Test
- SEICBP - Sustainable Energy Infrastructure Capacity Building and Pipeline Program
- SETF - Sustainable Energy Trust Fund
- TAG - Technical Advisory Groups

- VPP - Virtual Power Plant
- WGL – Washington Gas Light