**SEU Advisory Board**

**Meeting Minutes**

**Tuesday, September 22, 2017**

**I. Call to Order**

Bicky Corman called to order a quorum of the SEU Advisory Board (SEUAB or Board) at 10:18 AM Tuesday, September 22, 2017, at the Department of Energy and Environment (DOEE), 1200 First Street, N.E., Washington, DC.

**Roll Call**

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

**Board Members -** Bicky Corman, Sandra Mattavous-Frye

**Board Members on the Phone -** Donna Cooper, Betty Ann Kane, John Mizroch, Kirsten Williams, Sean Skulley

**Absent Board Members -** Nicole Steele, Dan Wedderburn, Jared Lang, Josh Richards

**Other Attendees:** Tommy Wells (Director, DOEE); Taresa Lawrence (Deputy Director, DOEE); Lance Loncke (Associate Director, DOEE); Lynora Hall (Staff Assistant, DOEE); Marshall Duer-Balkind (Program Analyst, DOEE); Patti Boyd (Senior technology Strategist, DCSEU); Adrienne Henderson (Assistant People’s Counsel, OPC); Ted Trabue (Managing Director, DCSEU); Marcus Walker (Director of Operations, DCSEU); Sheryl Dove (Strategy Manager, DCSEU); LaKeisha Lockwood (Energy program Specialist, DOEE); Angela Johnson (Director of Finance, DCSEU); Bob Jose (Agency Fiscal Officer, DOEE); Tamara Boyd (Financial Planning and Analysis Manager, DCSEU); and Patrice Brooks (Project Intake Supervisor, DCSEU).

***Board meeting live stream link:*** [***https://www.youtube.com/watch?v=aem28JcZiOc***](https://www.youtube.com/watch?v=aem28JcZiOc)

**Approval of Agenda (1:38 – 4:43)**

The motion to approve the agenda was made by Ms. Sandra Mattavous-Frye, seconded by Mr. John Mizroch, and unanimously approved by the Board. See attached agenda.

**II. Official Business**

**Review and Adoption of September 5, 2017 Minutes (4:44 – 4:46)**

The minutes for the SEUAB meeting held on September 5, 2017 were not approved because Board members needed additional time to complete their review of the minutes. The Board will vote on the approval of the minutes during the next scheduled Board meeting.

**Update on the DCSEU FY 2016 and 2017 Expenditures (4:47 – 17:43)**

Dr. Loncke provided a month by month breakdown of the DCSEU expenditures incurred during Fiscal Year (FY) 2016, as well as a breakdown of expenditures incurred to date for FY17. Dr. Loncke noted that an aggregated form breakdown of the DCSEU for FY16 expenditures was provided in the Report of the Results of the Financial and Compliance Audit of the DCSEU that was completed by F.S. Taylor and Associates. The spreadsheet provided to the Board also included a breakdown of expenditures from the Renewable Energy Development Fund (REDF) and the Sustainable Energy Trust Fund (SETF). Director Wells ask Dr. Loncke to explain the difference between the SETF and the REDF for the benefit of new Board members. Dr. Loncke explained that the SETF is the primary source of funding for the DCSEU contract which is currently set at $20 million per. The REDF consists of revenue derived from alternative compliance payments received from electricity suppliers who fail to meet the minimum percentages of solar renewable energy derived from resources located in the District. DOEE manages the REDF which is used primarily to help expand solar renewable energy generation capacity in the District.

In FY16 the DCSEU implemented and managed two solar programs on behalf of DOEE that were funded by the REDF. Dr. Loncke noted that it was important to highlight the DCSEU expenditures from the REDF so that Board members could have a clear understanding of the level of funding that was used to support the Affordable Solar Program and the Small Business Solar Pilot Program during FY16. He also noted that DOEE did not provide REDF funds to the DCSEU in FY17.

Ms. Mattavous-Frye asked Dr. Loncke if the DCSEU had a role in implementing solar programs in FY17. Director Wells responded that the DCSEU does not have a role in implementing any of the solar initiatives funded by the REDF in FY17. Ms. Mattavous Frye then asked if the DCSEU would be completing any low-income solar installations during FY17. Mr. Trabue responded that the DCSEU would not be completing any low-income solar installations during FY17. Chair Corman asked how the DCSEU benchmark for low-income solar would be affected. Mr. Karim responded by stating that the DCSEU does not have a specific benchmark for low-income solar. Chair Corman then asked if the current DCSEU contract contained an energy savings target as part of the low-income benchmark so that the DCSEU’s performance in this area is not based solely on the amount of funds expended from the SETF. Mr. Karim explained that low-income benchmark in the current DCSEU contract contains both an energy savings target and a minimum amount of expenditures that must be attributable to programs that benefit low-income residents/households.

**DCSEU Response to the most recent Washington City Paper Article (17:45 – 50:58)**

***Summary and outcome of discussions held:***

Mr. Trabue provided oral explanations for the following key issues that he thought were patently false statements highlighted in the article about the DCSEU that was published in the Washington City Paper (WCP) on September 7, 2017.

1. ***WCP: The DCSEU was paid $100 million to forge a path to 50 percent renewable energy target by 2032.*** Mr. Trabue explained that the article inaccurately states that since 2011, the District paid the DCSEU $100 million to help the District achieve its Sustainable DC Plan goal of increasing the use of renewable energy to make up 50 percent of the District’s energy supply, and at the current its current rate, the District will not reach its goal. According to Mr. Trabue, the DCSEU’s previous contract with the District which was originally signed in FY2011 did not require the DCSEU to install a specific amount of renewable energy capacity in the District. Additionally, the current DCSEU contract only requires the DCSEU to install 5 megawatts of solar renewable energy capacity between FY17 and FY2021. Mr. Trabue also explained that the solar programs implemented by the DCSEU over the past two fiscal years have successfully met or exceeded established targets for solar PV installations on the homes of low-income District residents. Hence, the author of the article incorrectly assigns full accomplishment of the District’s renewable energy goals squarely on the DCSEU.
2. ***WCP:* *The DCSEU invested $2.4 million in solar systems at a cost of $4.35 per watt for systems installed by solar contractors.*** Mr. Trabue explained that the author of the article used an improper numerator to derive his *per watt* cost of the systems installed. The DCSEU did not expend $2.4 million on solar programs in FY16. The DCSEU spent a little over $2 million to implement a low-income solar program and a small business solar pilot program. The DCSEU paid $2.70 per watt for systems installed on low-income homes, and $2.20 per watt for systems installed on selected small businesses.
3. ***WCP: Mr. Trabue boasted that the DCSEU ranked No. 3 in energy efficiency among cities in a study by ACEEE. However, newly released 2017 rankings showed the DCSEU dropping to No. 8.*** Mr. Trabuemaintained that his original comments provided during the April 28, 2017 Oversight Hearing held by Councilmember Mary Cheh were accurate based on the information available at the time. The District was ranked #3 in The City Energy Efficiency Scorecard when he testified before Council. Mr. Trabue stated that the subsequent drop in the District’s overall rankings from #3 to #8 occurred about two weeks after the hearing, and that he had no knowledge that the rankings were going to change.
4. ***WCP: The energy savings figures for reductions in electricity and natural gas in Mr. Trabue’s testimony were inaccurate.*** Mr. Trabue admitted that he misspoke during the oversight hearing and has apologized to the Councilmembers. He also apologized to the Board and explained that he conflated cumulative energy savings figures from fiscal years 2012-2016 with annual energy savings figures for electricity and natural gas for FY 2016. Mr. Trabue stated that he made an honest mistake and it was not done to mislead the Council or the general public.

The Board commended Mr. Trabue for his open and honest remarks about the article and offered several recommendations on how the DCSEU, DOEE and the Board can proactively educate the public about the work being done by the DCSEU. The Board also recognized the WCP and other press/media outlets play a critical role in holding the DCSEU and the District government accountable to ratepayers, and the issues highlighted in the article should be viewed as constructive criticisms to help the DCSEU improve its overall performance and transparency.

The Board requested that the DCSEU provide more frequent and detailed information regarding DCSEU programs and operations before issues arise or articles are published. This would help improve the Board’s oversight of the DCSEU and equip members with the pertinent information necessary to effectively respond to issues as they come up. Additionally, getting the necessary programmatic information in a manner that’s useful would allow the Board to proactively engage the public to educate them about the work the DCSEU is doing and various communities they serve. The Board also talked about potentially seeking opportunities through other media sources such as the Washington Post and other major news outlets to showcase the DCSEU accomplishments and other critical things accruing in the District that will help achieve the District’s aggressive energy and climate goals.

**Review and Updates to Draft SEUAB Annual Report (51:01 – 01:35:00)**

The Board collectively reviewed and discussed several sections of the first draft of the Annual Report compiled by Chair Corman and circulated to other members. Board members asked several clarifying questions about various aspects of the DCSEU contract, performance benchmarks, at-risk bonus payments, and the procedures for contract modifications, to help flesh out outstanding issues highlighted in their respective section(s) of the draft report. The questions and/or issues raised were satisfactorily answered by DOEE and/or the DCSEU staff. Chair Corman noted that the draft report was still missing an Executive Summary and encouraged members to fully complete their respective sections before the next meeting, which has been tentatively scheduled for the first week of October 2017. She also invited suggestions from members on how to reorganize certain sections of the report and clarified which sections of the report were assigned to specific Board members. Barring no setbacks, the Board will review and finalize the draft report during the next Board meeting.

**General Updates (1:36:41 – 1:40:00)**

Director Wells provided updates to the Board on the status of the impending green bank legislation and the use of REDF funds to help expand solar capacity in the District. He noted that the green bank legislation will be marked up by the Council in October 2017, followed by two reviews and a signature from the Mayor which will likely occur around January 2018. He noted that DOEE awarded about $13.5 million in grants funded by the REDF to approximately 10 grantees that will install solar systems that provide benefits to low-income households. DOEE also executed MOUs with other District agencies such as the Department of Housing, Public Libraries, the University of the District of Columbia, and the Department of General Services. He also noted that the agency was able to keep the LIHEAP running through September 2017 and is expected to exhaust all funds budgeted for benefit payments.

**Next Meeting**

The next Board meeting is scheduled for October 16, 2017 at 10 AM.

**Adjournment**

Chair Corman adjourned the meeting at 11:59 am.

*Minutes prepared by: Lynora Hall.*