**SEU Advisory Board Meeting**

**Minutes**

**March 10, 2020**

**Call to Order**

Vice Chair Millie Knowlton called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) to order at 10:10 AM, March 10, 2020 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:** Steve Burr, Cary Hinton (proxy for Willie Phillips), Dr. Donna Cooper, Nicole Steele

**Board Members on the Phone:** Millie Knowlton, Sandra Mattavous-Frye, Nina Dodge

**Absent Board members:** Bicky Corman, Scott Williamson, Richard Graves, Farrah Saint-Surrin

**Other Attendees:** Taresa Lawrence (Deputy Director, DOEE); Lance Loncke (Sr. Program Analyst, DOEE); Hussain Karim (DOEE); Ted Trabue (Director, DCSEU); Adrienne Mouton-Henderson (OPC); Patti Boyd (Senior Technology Strategist, DCSEU); Lynora Hall (DOEE); Megan Partridge (PEPCO), Dave Epley (Associate Director, DOEE); Lila Abron (PEER Consultants); William Ellis, (PEPCO); Angela Johnson, (DCSEU); Ben Burdick, (DCSEU)

***Meeting Video:***

***Approval of Agenda***

The motion to approve the agenda was made by Dr. Donna Cooper, seconded by Ms. Adrienne Mouton-Henderson, and unanimously approved by the Board.

***Review and Adoption of the February 18, 2020 Minutes.***

No changes made to minutes. The motion to approve the February 18, 2020 minutes was made by Ms. Nina Dodge, seconded by Dr. Donna Cooper, and unanimously approved by the Board.

***Hussain Karim – Legislative Update***

**DOEE Budget Oversight Meeting:** The DOEE budget oversight hearing is March 30, 2020.

**Building Energy Performance Standards Update:** There was a temporary emergency amendment to the Clean Energy DC Omnibus Act which made some technical changes and corrections to the building energy performance standards (BEPS) and a few other minor changes. It shifted the BEPS compliance dates to be more realistic in terms of implementation. For example, DGS had to produce a report by January 1, 2020 which was an unrealistic timeline, given the law had not gone into effect yet. Additionally, with respect to BEPS there is a five-year cycle of compliance in the legislation on the standards currently. The five-year cycle did not envision the necessary time for DOEE to revise those standards based on the previous five-year iteration standards for the upcoming cycle. The change provides that additional year to give DOEE time to analyze the data and come up with a new standard. Ms. Dodge asked did it have anything to do with the DCSEU, and Mr. Karim responded no it did not.

**DC Construction Codes Update:** Vice Chair Knowlton inquired about the DC Building Codes (DC Construction Codes, 12 DCMR A-K). Mr. Epley summarized the new codes have been sent to Council and will be adopted in early to mid April if no further action is taken. It's been a very long code cycle. Vice Chair Knowlton asked is that expected to impact the metrics and sort of working processes significant projecting? Mr. Epley stated it depends on the building type and design, but it is safe to assume that it is going to impact the savings that the SEU can count. The projected increase to the baseline is roughly 15-20%.

Ms. Patti Boyd said anytime there is a project where the DCSEU is claiming incremental savings, if the baseline increases then then the amount of incremental savings decreases. Vice Chair Knowlton suggested a deeper dive as we get closer to the mid-April target date for implementing the new codes to understand how this would impact the DCSEU metrics, and how projects are being prioritized. Ms. Dodge agreed and also suggested it would be good to know how building energy performance standards will affect the SEU’s work as well in specifically terms of legal requirements that raise the bar. We could put it on the agenda for the next meeting? Yes agreed.

**DCSEU Contract Modifications:** Vice Chair Knowlton asked were there any changes or loose ends to the DCSEU contract, specifically any modifications, that needed to be discussed? It was noted that Dr. Loncke covered this topic at last month meeting. Conversation was tabled for now since it was covered last week.

***Vice Chair Millie Knowlton – Finalizing Comments to the Public Service Commission Report***

Vice Chair Knowlton asked the board if they had any revisions to the last document shared by Chair Bicky Corman. Dr. Donna Cooper gave brief remarks and indicated that Mr. Willian Ellis, PEPCO will walk the board through the revisions from PECPO.

Dr. Donna Cooper was asked to present the changes PEPCO wanted to present to the Board. Dr. Cooper said they made one slight change and Mr. William Ellis would present the revision for PEPCO. Changes where made in real time to the SEU Board Comments to the PSC document. Mr. Ellis said on Page 2, third paragraph that begins with "The board recognizes" it should say "further". Ms. Dodge note that "however the Board" should be a separate sentence not a run on. Vice Chair Knowlton wanted to know the first program cycle is that a three year cycle? Ms. Mouton-Henderson answered right now its five years by the PSC, the Office of the People's Counsel would like for it to be the three years.

Dr. Loncke said let me clarify this sentence about the utilities and GHG. We submit programs to reduce GHG. Dr. Cooper indicated the Mr. Ellis could comment on that but before he does that was our concern going towards GHG target obviously your portfolio programs would have to ultimately contemplate. So going into the process we talked about ultimately we do want to track so we would have that information. That's a precursor prior to ultimately establishing action target. Mr. Ellis stated “he would say that any program that utilities will offer, will be reviewed and approved by PSC and with conversation with all of the stakeholders, as well as the advisory board. If there are innovations that the utilities come up with that can reduce GHG we would more than likely submit those recommendations as part of our filing to get input that may or may not be approved by PSC within the energy efficiency programs. Those programs that is not to duplicate anything that is currently doing and meet the portfolio cost effective and metrics that are outlined within the regulations.”

Vice Chair Knowlton asked to clarify the sentence “natural gas now could be advantageous as the grid is on its way of becoming cleaner”. Is that in there to say that using natural gas in the current moment”. Ms. Dodge stated that previously it was discussed. It’s just language that needs to be clarified and that we should do that, because of the fuel mix right now on the grid. Potentially, natural gas has a cleaner profile on the grid. Ms. Dodge said until the grid is cleaner there might be an unintended consequence of shifting to electric. If one is to measure gas by GHG.

Dr. Locke said about the sentence “the shift to natural gas now could be advantageous”, I don't think that the statement that we want to make right now. Mr. Karim said during efficiency natural gas would not be advantageous at this time. We need to be carful with metric, because the city is trying to encourage electrification.

Ms. Dodge clarified that the DC government gets 1/3 of energy through wind energy. It might be good in tracking to make clear about tracking the energy source mix. The timing is critical because if it’s dirtier and at any rate, so it has to do with electrification when electrification as electric sources becomes cleaner on the grid. Dr. Loncke said given the methodologies used to calculate GHG, natural gas has some advantages right now (even though the methodology does not take into account things such as methane leakage during gas production). Two things could happen, the grid becomes cleaner, or (2) the natural gas GHG metric calculation includes things such as methane leakage).

Vice Chair Knowlton asked whether we should point out the structure of how we measure energy efficiency and its relationship to the greenhouse gas (day 1 versus lifetime savings, or change to GHG measure). Dr. Loncke said “I think we could add a sentence if you want to talk about methodology as to why. Just note the grid is on its way to becoming cleaner (those in the industry knows what that means). So I will leave this up to the board to determine if they want to include a comment explaining the differences in the methodology to calculate methane leakage, that’s causing natural gas to be dirty at this junction. The other comment about lifetime versus energy savings, I’m not sure how this factors in towards the greenhouse gas reduction because we will be measuring it from a conversion basis where we either have lifetime or annual savings or convert them up to MMBTUs then get to Co2 equivalent. Annual versus lifetime really doesn’t have a logical way to determining a level of GHG savings, that’s to be achieved by the DCSEU.” VC Knowlton, thinks we should not stop short of looking at GHG metrics now, and quantify the benefit of electric versus natural gas, and then accelerate the transition here.

VC Knowlton stated she would suggest that we add a note saying that if we structure metric to appropriately look at the lifetime savings that could accelerate the transition to a GHG emission reduction metric.

Asked to VC Knowlton, “did you read the working group report that was filed by the group? Because we got specific conversation and why this juncture was not a good idea, we don’t have a baseline for the utilities yet. Specifically, we don’t know what their portfolio is going to look like. So that caused a lot of pause and concern, especially on the consumer advocate side and considering tracks it, but does not necessarily have to reach a benchmark. You don’t want to a disadvantage, any particular group by setting these very high marks that we don’t know what those targets specifically are going to be. Also, in the working group report and noted that the group will reconvene for a period of a hundred-twenty days in order to discuss that very topic. I think that if the group notates that GHG reduction is important, that is something that we will discuss and that hundred-twenty days when the commission will be working. I think to put that in right now, is this advantageous to us as a body.”

Ms. Dodge said I think a note is in order (it’s not clear or self-explanatory), and I think the way you posited it, it is a very important aspect of that note and I think it’s one thing to address.

Mr. Steve Burr stated that the natural gas infrastructure isn’t really static either and if there are ways to work with definitions or leaks in the in the certified natural gas that gets to the methane release issues at drilling. Ms. Sandra Matadors-Frye asked what is the Board’s recommendation GHG reduction needs to be looked at more closely. Add in a line that GHG should be looked at more carefully. Dr. Loncke notes that as we move towards GHG, there is going to be much more research (we are using a 2006 baseline that is well before fracking), this is going to be a difficult task and we will need to do a lot of research. The Board decided to delete the sentence.

Vice Chair Knowlton asked Dr. Cooper and Mr. Ellis did they have any other changer to the document? Mr. Ellis indicated yes, on page three, first paragraph by combining energy efficiency and demand response programs. Add peak demand, footnote #5 change summer programs.

Vice Chair Knowlton stated so we have a few changes that we’ve discussed. I am happy to read them at the end of the discussion. Are there any other changes? Modification to the second sentence referencing the dynamic pricing. This document will be delivered to Mr. Karim after all comments have been incorporated.

VC Knowlton, the intention is to vote today to approve the draft barring any issues with final drafted language, sentence. The summary of changes as follows:

1. Removing the sentence about natural gas being advantageous
2. Adding sentence supporting GHG baseline discussion
3. The SEU benefit for the peak demand
4. Editorial changes on last page that William noted

If someone wants to move to approve this draft, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ moved seconded by Ms. Sandra Mattavous-Frye and unanimously approved by the Board.

***Lance Loncke – DCSEU Expenditure Update***

Dr. Loncke said there is nothing major to report at this time. We are still sitting on the January invoices from the DCSEU. Through December they spent $3.5 million from the SETF on energy programs and $2.9 million on solar. When the January invoices come in the amount spent will be about $4.6 million spent. When the DCSEU have change to the contract a modification will be done.

Working on a new fringe rate with VEIC. In process of doing Mod 9 to the contract. Any changes to the fringe rate will require an administrative modification to the contract.

**Other Matters**

* None

**Actions taken by the Board**

* Approval of March 10, 2020 meeting agenda
* Approval of February 18, 2020 meeting minutes
* Approval of draft Board comments to the PSC (barring any concerns with final language to be sent around after meeting). Final version to be sent around

**Actions for Follow-up**

* DCSEU Financial Audit
* DCSEU Programing
* Analysis of how the new DC Construction Codes (Energy Conservation and Green Construction Codes) will impact the DCSEU’s programs, metric, and prioritization of projects

**Adjournment**

* Vice Chair Knowlton adjourned the meeting at 11:16 AM.

*Minutes prepared by: Lynora Hall*