**Sustainable energy Utility Advisory Board (SEUAB) Special Meeting**

**Monday, April 18, 2022**

**10:00 AM – 12:00 PM**

**Call to Order**

Chair Bicky Corman called a quorum of the Sustainable Energy Utility Advisory Board (SEUAB or Board) at 10:09 am, April 18, 2022. This was a Microsoft Teams video conference call meeting.

**Roll Call/Introductions**

Roll call was taken by Dave Epley at 10:10 am, and the following people were in attendance:

**Board Members:**

|  |  |  |
| --- | --- | --- |
| **Name** | **In Attendance?** | **FY 2022 Attendance Record** |
| Bicky Corman (Board Chair) | Yes | 9/9 |
| Sandra Mattavous-Frye (Karen Sistrunk as proxy) | Yes | 9/9 |
| Cary Hinton (PSC) | Yes | 8/9 |
| Donna Cooper (Electric Company) | Yes | 9/9 |
| Eric Jones (Building) | Yes | 8/9 |
| Nina Dodge (Environment) | Yes | 9/9 |
| Marshall Duer-Balkind (Councilmember Cheh) | Yes | 9/9 |
| Jamal Lewis - Low-Income Community | Yes | 7/9 |
| Matthias Paustian – Council Chairperson Mendelson | Yes | 4/9 |
| Mish Thadani -Economic Development  | No | 4/9 |
| Sasha Srivastava - Renewable Energy | Yes | 7/9 |
| **Vacant (Building Construction)** | Vacant | Vacant |
| **Vacant (Gas Utility)** | Vacant | Vacant |

**Other Attendees:** Lance Loncke (Sr. Program Analyst, DOEE); Dave Epley (Associate Director, DOEE); Benjamin Burdick (DCSEU); Hussain Karim (DOEE); Gary Decker (DC Green Bank); Brandon Bowles (DCSEU); Crystal McDonald (DCSEU); Karen Sistrunk (OPC); Theodore Trabue (DCSEU); Yohannes Mariam (OPC); Zoe Heller (DCSEU); Patti Boyd (DCSEU);

**Approval of the Agenda**

Sandra Mattavous Frye made a motion to approve the April meeting agenda as modified (the review of the March meeting minutes were moved to the end of the agenda). Marshall Duer-Balkind seconded the motion. All in favor.

**Market Rate Single Family Fuel Switching Program (DCSEU led presentation and discussion)**

* Ted Trabue started off by noting:
	+ Over the past few years DCSEU has been running a low-income fuel switching program in homes. They have retrofitted homes to be all electric or in some cases all electric minus changing out the gas stovetop.
	+ The DCSEU has money in place for the next five years to run a low-income electrification program.
	+ On the market rate side, they have a modest ($750) rebate in place for heat pumps.
	+ The DCSEU presentation will look at what they think is the amount of funds needed to move the market towards building electrification.
	+ The DCSEU did market research, looking at similar programs in Massachusetts and California programs.
* Patti Boyd took over the presentation and using a slide deck provided by the DCSEU.
	+ This is a draft program and the DCSEU is trying to figure out the details.
	+ The big question is what level of rebate is needed to incentivize residents to switch from gas to electric appliances and equipment.
	+ The supplemental and ancillary work/equipment (e.g. removing existing infrastructure, installing new electrical circuit) can increase the cost.
	+ There are concerns that furnaces being removed from homes could be re-sold on the open market by HVAC installers.
		- DCSEU would like to require residents to decommission old gas equipment (cut off and remove equipment) and is looking for helpful examples in other states.
	+ The goal is to roll out the program in Q2 FY23.
	+ Nina Dodge requested people not use acronyms, in this situation, specifically “QA/QC”.
	+ Equipment failure is an opportunity/scenario in which the DCSEU is trying to figure out a strategy to support fuel-switching
	+ Initial Considerations
		- Tiered rebates that are higher in the beginning and go down over time?
		- Single Contractor or offer to a broader base of contractors?
		- How does the DCSEU confirm the gas equipment has been removed and the gas line capped?
* Bicky Corman noted that Massachusetts is not removing equipment, and wants to know why the DCSEU wants to ensure the gas equipment is removed/decommissioned?
	+ Ben Burdick (DCSEU) noted they are still doing market research.
	+ Marshall Duer-Balkind shared that he has worked with jurisdictions in Canada, where they do have a pre and post verification of fuel switching. Marshall Duer-Balkind and Patti Boyd intend to talk at another time. Marshall Duer-Balkind thinks that it is important that the gas equipment is removed. He also noted that there are more potential supplemental costs that should be included. He also noted that where service upgrades are required, this is an opportunity to leverage solar. Ted Trabue noted that DCSEU would need to discuss with DOEE because solar for single family homes has typically had income restrictions on it. Marshall Duer-Balkind also noted that a much more substantial incentive would be best and “get people’s attention”.
	+ Matthias Paustian recommends that there be a structure to the program that sets forth criteria that identifies which existing aspects of the house make fuel switching most cost effective, and then target marketing and engagement at the homes that will cost less. He noted that DCSEU has limited funding for this program. His second recommendation/consideration is to focus on space and water heating, and not worry about minor gas uses like gas stovetops. His third recommendation is to provide more money for fuel switching in general. Finally, he noted a question and challenge of marginal emissions being looked at in the short versus the long-term. He thinks it should be looked at and measured with the long-term in mind.
	+ Chair Corman noted that this is an important discussion, but we are over time currently, and should discuss next steps.
		- DCSEU team said please send comments over anytime.
		- Matthias Paustian suggested a subgroup to discuss the issues. Patti Boyd noted that the fuel switching program does not currently contribute to the GHG benchmark.
		- Nina Dodge asked whether this program falls under the experimental programs that don’t count towards the benchmarks. Patti Boyd confirmed it is an “experimental” program. Nina Dodge also asked if DCSEU could provide a recap of low-income single family electrification pilot program.
			* Patti Boyd noted that this is the *low-income HVAC program* Nina Dodge is asking about. She also noted that this is coupled with the single family low-income solar program.
		- The DCSEU intends to let the Board know when they have made significant progress and then will bring in a more polished program for Board review.
			* It was requested to add this as a rolling item on the agenda.
		- Dr. Donna Cooper requested that DCSEU look at lessons learned from other locations such as Canada. Dr. Cooper also noted she assumed that there has been market research done locally.

**Discussion and provide feedback on the DCSEU Strategic Plan (led by Chair Corman)**

* Dave pulled up document with everyone’s comments (except for Dr. Cooper’s which was sent in separately)
* DOEE and DCSEU were not able to review the comments from the Board prior to the meeting.
	+ Ted Trabue stated that he would like to circle back with the team before providing official responses to comments from the DCSEU.
* Chair Corman suggested that those Board members who gave comments provide oral review of their comments today.
	+ Marshall Duer-Balkind stated the following:
		- He thinks it is an excellent document and there is “a lot here”.
		- On new construction, there seems to be some confusion in the document, about where savings can be gained in new construction. He wants to make sure new construction isn’t dismissed.
		- He didn’t see specific examples about fuel switching and electrification.
		- Restrictions on supporting natural gas are good, but wants to see criteria for evaluating.
		- He wants to make sure better access to customer utility data be present, given it has been an issue in the past.
		- There is a real impact on the DCSEU if the PSC approves the PEPCO energy efficiency programs, and he doesn’t see it directly addressed here.
		- He noted the importance of local workforce development, but also not letting that stand in the way of servicing the needs of programs now.
	+ Ted Trabue responded with some high-level responses.
		- He is ok with adding in tradeoffs and challenges with electrification.
		- DCSEU and DOEE have developed a criteria for gas measures, which was created with help from the Board.
		- He agrees that they should discuss impact of PEPCO energy efficiency utility programs. There have been many conversations, formal and informal, that have looked into that issue over the years.
		- The DCSEU realized that they are not able to conduct workforce training fast enough and enough depth to train local businesses to do ASHRAE Level II Energy Audits (the work is too advanced)
			* In the BEPS Affordable Housing Retrofit Accelerator, the DCSEU is working with two local businesses, and 7 national businesses to do ASHRAE Level II Energy Audits.
	+ The DCSEU has agreed to a technical working group with PEPCO and others on the development of PEPCO utility programs.
		- It is not clear what the PSC will approve, yet.
		- Dr. Cooper noted that it has been important for the potential new PEPCO programs not to conflict with or take away from the DCSEU programs. She noted it has been critical to work collaboratively with the DCSEU.
		- Chair Corman noted that everyone thinks this is a “giant issue” and she thinks there should be more space dedicated to it in the Strategic Plan.
	+ Nina Dodge spoke next and she stated:
		- That this is a good document and strong effort from the DCSEU.
		- In the arena that deals with societal cost, there are three footnotes that provide excellent background to support the societal cost test conversations and discussions in the future.
		- The earlier that that the DCSEU can be involved with a building project, the more they can help influence the building envelope. She noted that the DCSEU normally doesn’t get involved at such an early planning stage with projects but hopes a way can be found to do so.
		- Solar and battery storage are not included in the draft Plan. She noted that we do not want buildings to rely on diesel backup generation in all electric buildings. She hopes that the DCSEU will eventually add battery backup to electrification efforts.
	+ Patti Boyd noted that in the PEPCO negotiations, DCSEU will be transitioning away from the new construction market, with the exception of major renovations (if the PSC approves). She noted there are typically more savings in retrofits and major renovations, and not as many savings in new construction.
	+ Nina Dodge asked that a rolling agenda item be added on how we can reward the DCSEU for its involvement at the design stage for new construction and major retrofits.
	+ Karen Sistrunk (OPC) stated:
		- They have a question about electric lawn equipment and whether the District should have its own program, and not one funded by ratepayers.
		- With respect to the electric heavy construction equipment, is the DCSEU looking at air pollution or noise control?
		- In section on outreach and engagement, OPC thinks there should be more details on how the DCSEU will undertake outreach to low-income, community-based organizations.
		- OPC noted the hard work that the DCSEU has put into the strategic document
	+ Ted Trabue noted that the lawn equipment question is one most likely for DOEE to answer. And that the DCSEU is not looking at noise control with respect to the heavy equipment program (given it is not a benchmark).
	+ Matthias Paustian commented with respect to Nina Dodge’s earlier comment, stating that gas equipment needs electricity to work. So suggesting that electric appliances and equipment make a home less resilient is not an accurate picture. Gas appliances have the same challenge. So putting batteries into single family homes does not need to be a priority, especially because it is expensive.
	+ Chair Corman echoed OPC’s praise to the DCSEU and applauds the Board for getting the strategic plan requirement into the contract.
		- Chair Corman had the following comments and questions:
			* Whether or not the shift from gas to electric is a change in policy and should be discussed up front?
			* On page 10, section 3.1.3, pay attention to new benchmark that combined renewable energy and energy efficiency requirements. There was a concern that it would be hard for contractors to provide and whether it has been transformational.
			* Whether or not storage is confined to residential, and whether other jurisdictions have been mandating storage, and should DC be considering it?
			* Does the DCSEU take credit for reducing the suppliers carbon footprints, and should it be taken into consideration? To note, the DCSEU currently does not take this into account.
				+ Ted Trabue noted that they had considered green jobs with their suppliers. And that they measure carbon footprint of DCSEU staff. But they do not extend it to suppliers.
	+ Jamal Lewis stated that most of his comments had to do with increasing access and availability of energy efficiency and electrification services for the low-income communities.
		- Jamal Lewis stated the following comments and questions:
			* He would like to see the DCSEU take increased leadership in advancing collaboration with DOEE and the utilities for low-income customers. He has ongoing frustration with competition in the space, and thinks there should be a collaborative, streamline approach for low-income residents.
			* Fuel switching often only happens when machines break, so he thinks the DCSEU should have a pro-active program to help replace equipment before it breaks.
			* Has the DCSEU or SEUAB ever put forward a program targeting community centers for electrification?
				+ Many low-income residents may not understand the benefits of building electrification. So to help spread information and educate on the topic, electrify in community spaces.
			* Is there consideration around reallocating resources if there are additional funds that come from the federal government?
		- Ted Trabue replied that funding for low-income shows up in many ways across the FY22 budget of ~$58 million in FY22. 30% of the base contract, 100% of the low-income electrification program, 100% of the Solar for All Program, and 100% of the Affordable Housing Retrofit Accelerator (~18 million in FY22). He noted that this may not have been made clear in the strategic plan.
		- Ted Trabue also noted that the community centers do not qualify as a low-income facility that the DCSEU can serve.
	+ Dave Epley noted he will send around a merged version of the document with everyone’s comments in it (Marshall and Dr. Cooper’s included).
	+ Chair Corman would like for the Board to discuss comments at the next meeting.
	+ Dave Epley (DOEE) asked that Matthias Paustian send around a proposal for his subgroup to discuss electrification.
	+ Chair Corman noted that the DCSEU will get back with us when the DCSEU will respond to comments. Ted Trabue also noted that Ben Burdick (DCSEU) put together the strategic plan and should be noted.

**Approval of March Meeting Minutes**

* Minutes with Nina Dodge’s edit are moved for approval by Marshall Duer-Balkind. Seconded by Matthias Paustian. All in favor.

**Next Meeting and Future Meetings:**

1. Chair Corman would like for the Board to further discuss comments on the Strategic Plan at the next meeting.
2. Dave Epley (DOEE) asked that Matthias Paustian send around a proposal for his subgroup to discuss electrification.
3. Nina Dodge asked that a rolling agenda item be added on how we can reward the DCSEU for its involvement at the design stage for new construction and major retrofits.
4. Market Rate Single Family Fuel Switching Program: The DCSEU intends to let the Board know when they have made significant progress and then will bring in a more polished program for Board review.