

## SEU Advisory Board

### Meeting Minutes

Monday, May 5, 2014

#### **I. Call to order**

Keith Anderson, Chair called to order the meeting of the SEU Advisory Board at 10:10 am Monday, May 5, 2014 at the District Department of Environment, 1200 First Street, N.E. Washington, D.C.

#### **Roll call**

**SEU Advisory Board:** Keith Anderson, Larry Martin, Joe Andronaco, Betty Ann Kane, Bernice McIntyre, Daniel Wedderburn, John Mizroch, Sandra-Mattavous-Frye, Donna Cooper

**Absent Board Members:** None.

**Other Attendees:** Taresa Lawrence, Ted Trabue, Lance Loncke, Hussain Karim, Marcus Walker, Lynora Hall, Marc Battle, George Nichols, Mohamed Ali, Jon Andreoni, Bob Jose, Hanna Greene, Dan Cleverdon, Mike Healy, Daniel White, Herb Jones, Nina Dodge, Karim Marshall, John Supp, Michelle Dee, Marshall Duer-Balkind, Richard Fleury, John Macgregor, Brian Gallagher, Nicole Sitaraman, Meg Moga, Carl Blake, Robert Thorne

#### **Approval of agenda and minutes**

The agenda was approved.

The March 18, 2014 minutes will be discussed again at the next meeting.

#### **II. Official Business**

Daniel Wedderburn had one suggestion for the March 18, 2014 minutes. On the first page, second paragraph regarding the 43 witnesses who testified at the Sustainable DC II roundtable, he requested for the minutes to state that of the 43 people, 42 were opposed to abolishing the SEUAB and one person supported it; he wanted to add this line to the minutes right after the first sentence. Mr. Anderson said he did not believe that would be correct because he did recall that some witnesses that did not even touch the matter; they talked about diesel and other unrelated matters. Chairman Betty Ann Kane said the minutes should reflect what was said at the last board meeting. She believed that this could be resolved by having today's minutes reflect this discussion. The minutes today could reflect that only one person opposed it at the hearing. Mr. Anderson said that was acceptable to him. Mr. Wedderburn stated he liked that suggestion.

Ms. Mattavous-Frye said there should be inclusion of language that says that there was discussion with respect to the support or opposition. Mr. Anderson stated that DDOE staff will listen to the recording to see what exactly was said then DDOE will update the record accordingly. Ms. Mattavous-Frye said that was reasonable. The vote on the minutes was tabled until the recording can be reviewed.

Ms. Mattavous-Frye stated she wanted the minutes today or as amended to reflect that the Office of the People's Counsel (OPC) filed comments at the hearing and that those comments were a matter of record. Mr. Anderson said everyone's comments were a matter of record. Ms. Mattavous-Frye said she wanted that mentioned specifically in this meeting's minutes so that the issue was preserved. Mr. Anderson said it was duly noted.

## Ted Trabue - DC SEU FY13 Highlights and FY14 Updates

Mr. Trabue said he would speak about some FY13 highlights, rounding out some results from FY13. He would also provide some updates on FY14 with some program changes that the DC SEU has implemented in transitioning from FY13 to FY14. Mr. Trabue said he would highlight the DC SEU's spending to date; actuals and pipelines; key programmatic initiatives. He would cover some of the FY13 and FY14 results showing the progress and maturity that the organization had achieved in the last couple of fiscal years. He would then discuss some of the recognitions that the DC SEU had received. Finally, he would review a chart that compared the DC SEU to other energy efficiency programs around the country.

**FY13 Highlights** – Mr. Trabue said that there were six performance benchmarks, and the energy performance benchmark involved energy savings in terms of natural gas and electric. The largest energy user benchmark had not been defined yet. For the first time in FY13 the DC SEU exceeded the minimum requirement for the energy savings for electricity. The DC SEU did not hit the target for the natural gas. Mr. Trabue said there was a vast improvement in the savings for natural gas, with a 900% higher savings in FY13 as compared to FY12.

**Reduction of Peak Demand** – The benchmark was achieved in FY13.

**Low-income Efficiency Improvements** - The spending of 30% of the funds in the low-income community was achieved.

**Renewables** – The renewables program achieved the required 10% cost reduction.

**Green Jobs** – Mr. Trabue said 400 District residents worked on projects supported by the DC Sustainable Energy in FY13.

**Largest Energy Users** – This benchmark had not been defined yet.

**Outperformed CBE Spend** – This was a contractual requirement, not a benchmark on spending. Last year the DC SEU spent 50% of its implementation contractual dollars on CBEs, as required by the contract.

Mr. Trabue stated that Ms. McIntyre had always been very concerned about the electric/gas split; 80% of the funding must be spent on electric and 20% of the funding on natural gas. The DC SEU achieved that last year and was on track thus far with spending in FY 2014. Ms. McIntyre said her concern had always been meeting the requirement of the statute, which specifies that at least 75% and no more than 125% of the funds contributed by gas ratepayers must be spent on gas programs and the same with electricity. She asked if the DC SEU met that standard. Mr. Trabue answered yes, the DC SEU was within that range.

Ms. McIntyre said the assertion on a previous slide of a 900% increase appeared wonderful but it was deceptive because the previous year's level was so low. Mr. Andronaco stated that it is a relative improvement off of a really awful year. Ms. McIntyre responded that the DC SEU obviously had not met the targets on gas savings in spite of spending a lot of dollars. If the DC SEU was spending a million dollars to get a reduction of 4,101, that was a very high level of expenditure. Ms. McIntyre expressed her concern about glossing things over in the meetings. Mr. Trabue responded that he was not glossing it over at all. Ms. McIntyre said she wanted to make sure that the minutes stated her position on the record.

Mr. Andronaco said at the last board meeting the Board heard a preliminary presentation from Tetra Tech on the report that was a verification of the achievement of the benchmarks. He said he received an email from Lynora Hall saying that Tetra Tech's report was under internal review, and he asked DDOE when the Board would receive the report. Dr. Lawrence stated DDOE received the report and DDOE shared it with the DC SEU, which was not in total agreement with the numbers in the report. The report would be released publically in a few weeks after DDOE, DC SEU, and Tetra Tech had an opportunity to resolve any issues.

Ms. Mattavous-Frye asked just out of clarity if Dr. Lawrence was saying that there was a dispute between the DC SEU and Tetra Tech to which Dr. Lawrence said yes. Ms. McIntyre asked if DDOE was the ultimate arbiter of the fact. Dr. Lawrence stated DDOE was. Ms. McIntyre requested the record reflect that two of the

board members wanted confirmation that the process was that DDOE made the final determination with respect to any dispute between Tetra Tech and the DC SEU. Mr. Anderson stated for the record DDOE would make the final determination.

**FY14 Program Changes** – Mr. Trabue said he would start with the business energy service, which is a prescriptive program involving items like motors, fans, and lighting that are on a rebate list where an owner of a small to medium size business or larger business can purchase such items from the list. The DC SEU now had a pre-approval registration system for owners, and the program had seen a lot of activity.

**T12 Program** – For T12s, the DC SEU was continuing the 70/30 customer split, with the DC SEU paying 70% of the cost of the installation of the T8s and related fixtures. The DC SEU was expanding its customer market for the Implementation Contractor Direct Install (ICDI), and contractors like Mr. Andronaco were performing the work for the DC SEU. The DC SEU projects involved multi-family buildings and contractors installed up to five measures, such as lighting, low flow air raters, showerheads, wrap-up exposed pipes, wrap-up electric heaters, in each of the residential units. The program had been expanded in terms of the size of the multi-family unit buildings, in part because a particular focus was on boilers and chillers, which offer deeper savings. Additionally, the DC SEU was looking at buildings with 50 units whereas previously only buildings with at least 500 units were considered. Mr. Andronaco requested to make a friendly amendment to the DC SEU's program change. One of the big improvements that happened this year was that the DC SEU actually opened the T12 and the ICDI programs in the market place, and the incentives were being offered by the DC SEU to the market.

Ms. McIntyre asked about the number of participants that the DC SEU served in the commercial or industrial/institutional sectors, the DC SEU spent \$1,757,846 year to date for 105 customers. She said that was an awful lot of money to have spent on 105 participants. Mr. Trabue stated that those were probably large commercial projects, not residential projects. Ms. McIntyre stated that it could well be on the residential budget. The expenditures for the year to date for low-income were \$1.1 million and with 35 participants to date. Hanna Green said those were individual projects. Ms. McIntyre stated that was misleading and the DC SEU may not present the data that way. Ms. Green said in the annual report, the DC SEU will add up the quarterly data, and will try to reach a greater number of customers.

Ms. McIntyre said that it just did not look accurate if the DC SEU took those numbers and assumed it would serve a lot more individuals during the entire year. Ms. Mattavous-Frye asked if all of the contractors for ICDI were CBEs. Mr. Trabue answered no, not for that particular program. Mr. Andronaco said there is uncertainty regarding the use of CBEs in a program where the client itself takes advantage of the business energy rebates and it chooses the contractor. Mr. Trabue stated that the DC SEU was working very hard through its contracting process this year to expand the pool of CBEs. Mr. Andronaco said he thought the key as the market matured was for companies of all types to be able to compete, CBE or not.

Mr. Trabue said on the residential side the DC SEU added something new this year, Energy Coaches. These individuals have performed a lot of the home energy audits. Often customers are confused as to how they can act upon that energy audit. These Energy Coaches help the residential customers take advantage of the energy audits. The DC SEU had been working with DDOE and sharing information. The DC SEU was continuing its gas rebate program and changing the rebate structure with its efficient products. At present, the DC SEU incentivized about 408 different sorts of lighting products with about 15 or 17 manufacturers. The DC SEU's intent was to move more into LED and get further away from the CFLs. Last year the DC SEU sold 225,000 different lighting products, and this year already the DC SEU had already sold about 250,000 lighting products. LED lighting products were really picking up strong since they were priced as little as \$4.99. On the low-income side, the DC SEU installed single family low-income PV and some energy efficiency measure. On the renewables side, the DC SEU had been able to reduce the cost of- renewables by implementing a competitive bidding structure. The DC SEU was also recruiting more contractors. On the customer side the DC SEU was looking at some low-income retrofits.

Mr. Trabue stated that the DC SEU would try to place interns in work opportunities from a number of the job training organizations that were doing green job training and certification, such as building engineering certification programs. Ms. McIntyre stated the value was in having some kind of interaction. She said one of the concerns, as the Board expressed several years ago, was just to make sure the overhead of the DC SEU's program was low and while she understood the need for providing additional customer education, she wondered whether the energy coaches program was cost effectiveness. Mr. Trabue said DC SEU management had given considerable thought to this issue and the cost effectiveness of all of the programs. These energy coaches were not hired on as full-time employees so the DC SEU was not covering the cost of benefits for these individuals.

Dan Cleverdon asked Mr. Trabue to provide more information regarding the Energy Coaching program as well and some additional details as to how that program will ultimately be implemented. Mr. Walker said they could definitely describe the concept;- energy coaches meant two people who interact with the DC residents who had done an audit or who expressed interest in the Home Performance Program. The program concept involved -the process of selecting a customer and doing the Q & A after the audit as well as after the work that had been performed. Ms. Mattavous-Frye asked if these individuals are additional DC SEU positions. Mr. Walker answered that they are contactors. Chairman Kane asked Mr. Trabue if the DC SEU was following up with those people who have had audit. Mr. Trabue answered yes.

Mr. Trabue continued his presentation, which covered the following topics:

- FY 2014 Program Changes
- FY 2014 Spending
- FY 2014 Actuals + Pipelines
- FY 2014 initiative Highlights
- FY 2013 vs. FY 2014 Results
- FY 2014 Recognitions
- FY 2014 Power Lunch

#### **Larry Martin - SEUAB Public Meeting**

Mr. Martin stated that the SEUAB will be hosting a public meeting and the planning committee has met previously.

Mr. Martin raised the issue of co-sponsorship for the public meeting, and whether organizations represented by other Board members would be interested in being co-sponsors. Chairman Kane indicated that the Public Service Commission would not be able to take on that role. It was asked who scheduled the previous meeting and who has attended. Mr. Martin said invitations were sent out to the SEUAB and DC SEU. The next meeting was scheduled for May 14, 2014. Mr. Martin suggested a conference call regarding the public meeting. Mr. Anderson suggested discussing this issue in a subcommittee and he asked Mr. Martin to follow up with Lynora Hall about a date and time for the call.

### **III. New Matters**

Review the recorded minutes from March 18, 2014 regarding the hearing on the count of who testified for and against the abolishment of the SEUAB. To be discussed at the next meeting.

“Clean and Affordable Energy Public Engagement Enhancement Amendment Act of 2013”

Mark up will be May 15, 2014

Next meeting Tuesday, May 20, 2014

Agenda: Tetra Tech EM&V Report

SEUAB Retreat

#### **IV. Adjournment**

Keith Anderson adjourned the meeting at 11:55 am.

Minutes prepared by: Lynora Hall