Energy Advisory Committee

Washington Metropolitan Council of Governments
777 North Capitol Street, NE, Washington, DC

September 30, 2012 DRAFT Meeting Highlights
Held at SEU Headquarters

Attendance:
Olayinka Kolawole, Chair, District Department of the Environment
Cynthia Adams , LEAP-VA
Bill Topper
Stan Calvert, Neoniche Strategies
Mark Friedan, Neoniche Strategies
Caroline Kreiger, Institute for Market Transformation
George Nichols, DC Sustainable Energy Utility
Ben Burdick, DC SEU
Mike Barencewicz, Loudoun County Public Schools
Sam Hancock, Emerald Planet
John Lord, Loudoun County Public Schools
Bill Eger, Alexandria
Ted Trabue, DC SEU

Staff
Julia Allman
Leah Boggs
Maia Davis
Jeff King
Joan Rohlfs

Call to Order (Olayinka Kolawole)

- The meeting was called to order at 10:00am.

Approval of July 30, 2012 Meeting Summary

- The meeting summary was approved.

DC Sustainable Energy Utility – Ted Trabue, Managing Director

- The DC Sustainable Energy Utility (SEU) was established by the DC Council through the 2008 Clean and Affordable Energy Act. The law directs DC government to establish a program to help control energy bills through efficiency and renewables.
- DC SEU was awarded a performance-based contract by the city to manage this program. It is a privately operated organization, funded through ratepayers and private investments. SEU provides its programmatic plans to DDOE for review, but does not require approval. It must meet prescribed performance metrics, including:
    - Reduce energy use by 1% each year, from a 2009 baseline
    - Reduce peak energy demand

    - Increase the city's renewable capacity
    - Create green jobs for DC residents
    - Create business for certified business entities, spending 35% of contractual dollars on District-based businesses
    - Spend 30% of funding on projects benefitting low-income communities
- The Sustainable Energy Partnership is a collaboration between Vermont Energy and nine DC-based businesses. Programs include helping small businesses replace T12 lighting with T8 ballasts and bulbs (called the T-12 Blitz); providing technical assistance to businesses and contractors; making efficient products such as CFL bulbs more affordable and accessible; providing job training; and providing incentives and rebates.
- 2011 was the first year DC SEU was in operation. The organization made efficiency improvements in 4,710 low-income multifamily residences, implemented a business energy rebate program for commonly used equipment, and began developing residential programs, including distributing CFLs at food banks.
- Discussion:
    - Q: Do other jurisdictions have similar programs?
    - A: In Maryland, the state program is being implemented by utilities. LEAP-VA aspires to be a sustainable energy utility, but does not yet have the funding to do so. The Efficiency Smart program works with utilities to implement efficiency programs. However, DC SEU is unique in that it combines social equity goals with energy efficiency. We see the program as developing transferrable best practices

    - Q: Do the Certified Business Entities that you work with hire DC residents?
    - A: They are not required, but are encouraged to do so. We are thinking about different ways to incentivize more DC hiring, perhaps offering a bonus if 70% or more employees are DC residents.

    - Q: How is the program marketed to residents?
    - In 2011, the branding theme was "A Different Kind of Utility." In 2012, we are moving into direct installations and developing a recipient pay-in model, and new themes may be developed.

CEEPC 2016 Work Plan Goals – Maia Davis, COG DEP

- The Climate, Energy, and Environment Policy Committee workplan originated from the 2008 National Capital Region Climate Change Plan. Following that report, a workplan was formulated for the years 2010 to 2012, providing short-term goals to advance the long-range goals put forth in the climate change plan. A new plan is being formulated for 2013 through 2016.
- The Work Plan is divided into categories, including land use, transportation, green building, outreach, renewable energy and energy efficiency. Research on regional and local climate goals across the country was conducted to identify any issues missing from the 2012 workplan.
- COG wants to ensure that the regional goals set in the 2016 plan are in line with local plans and program. COG is looking for feedback on the proposed goals. They may be submitted by email to Maia Davis at mdavis@mwcog.org.

Local Energy Alliance Program, Virginia – Cynthia Adams, LEAP-VA

- The Local Energy Alliance Program (LEAP-VA) is a registered 501(c)3 organization established to implement energy efficiency in residential buildings. Efficiency has a lower relative cost than developing energy resources, and in aggregate can offset the need to build additional generation capacity.
- LEAP-VA has two primary project areas: Charlottesville and Northern Virginia. In Charlottesville, 700 structures have been retrofitted, producing half a million dollars of energy savings (an average of $600 per year per household. It has saved over 3 GWh of energy. Northern Virginia presents a big opportunity, as there is just a 1% penetration of energy efficient retrofits. The organization is conducting its first big residential marketing campaign, the Home Energy Makeover contest. 1300 residents have already filled out an online home energy assessment and received reports on how they might improve home energy use. The project is intended to create case studies by including a condo and a home with health and safety issues. Applications can be found at www.Novaenergycontest.com.
- Through participating in the LEAP program, homeowners may be eligible to earn a Home Performance with Energy Star (HPwES) stamp. This independently verified certificate shows that a home has made a 20% increase in efficiency over the pre-improvement baseline. These savings can be staggered, so all improvements do not need to be made all at once. Having the HPwES certificate can help homeowners wanting to sell their homes.
- The program provides complete beginning-to-end assistance with energy improvement projects. Homeowners compete an online energy profile survey, have an in-home assessment if needed, receive help developing an energy plan, are connected with pre-qualified contractors to conduct the work, are offered low interest financing and rebate bundling to help pay for the improvements, and have a pathway to gaining the HPwES certification. Throughout the process, LEAP provides unbiased technical assistance.
- Ms. Adams also spoke about the NOVA Commercial Energy Efficiency Program. It is funded through a State Energy Plan grant from VA DMME. It seeks to develop policies to grow energy efficiency in the commercial building sector, develop best practices in engaging building owners and tenants, and to create pilot initiatives to make efficiency retrofits.

- Of interest to members of EAC, the Virginia Energy Efficiency Council is a new organization formed to educate policy makers and stakeholders about energy efficiency. More Information can be found at http://www.vaeec.org/.

- Discussion:
    - Q: Why did you go with the certificate rather than an efficiency score?
    - A: We're trying to start a score pilot. We have an agreement with Rappahanock Utility on implementing the HES score.
    - Q: How do you attract contractors to become qualified?
    - A: Paying to attend helps; we offer alternate certifications for different work types. Possibly opening up to various certifications that contractor companies are already working with and are comfortable with is another option. It's critical to work around contractor constraints, as taking people out of the field, and losing work hours, is hard.

Commercial and Multi-family Energy Efficiency Study – Eric Coffman, Montgomery County

- Montgomery County commissioned ICF International to complete a multifamily and commercial energy efficiency study to determine what it would take to get a 25% energy reduction in 10 years in the commercial and Multi-Family sectors. We chose to focus on Commercial and Multifamily because the County is already seeing progress in the residential sector, and these sectors are a bit harder to break into.
- The study provides objective research for establishing an energy baseline. It is not the county's efficiency strategy, a comprehensive energy plan, or a specific policy proposal. Creating policy recommendations will require discussions with legislators and stakeholders.
- County tax records, PSC benchmarking reports, and CoStar real estate data were entered into ICF's EEPM model to establish the baseline.
- Findings included building stock characteristics, such as business type, location, and square footage. The study found that 80% of the square footage was located in 20% of buildings, which are controlled by 8-10 owners.
- The study also determined savings potential. The County Sustainability Board set 25% reduction goal, and the study looked at how this might be reached given baseline energy usage and various growth projections. There is a 22.1% technical potential for savings in the commercial sector, but real economic potential is lower. The multifamily sector has 46% technical potential. Combined, it is 27.5%. The study looked at the potential for Tier 1 (standard retrofits) versus Tier 2 (more aggressive) measures.
- Ten potential policies were offered to help achieve the 25% reduction goal. They include:
    - Community Energy Challenge – look at Arlington and Denver as examples
    - Energy performance benchmarking and disclosure
    - Energy assessment and retro-commissioning
    - Tax Credits
    - Financing mechanisms
    - Energy efficient leasing to address the split incentive problem
- A survey of 88 stakeholders was conducted to receive feedback on the policy proposals and determine the knowledge base on energy use and tracking. 33% use Energy Manager to track building energy use, but almost same percent don't know how they track it. The Green Buliding Tax Credit was a popular policy option.
- Montgomery County is receiving public comments through September 22, particularly on policy priorities and how to engage building owners.

Next Meeting Date and Adjournment

- Next meeting date is October 18, 2012.