

DC's Sustainable Energy Utility



"Affordable Choices for a Brighter Future"

www.greenenergy.dc.gov



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Clean and Affordable Energy Act (CAEA)

- Sustainable Energy Utility (SEU) established by CAEA
 - October 1, 2008
 - Emergency version of CAEA was enacted with effective date of October 1, 2008
 - October 22, 2008
 - CAEA became Law
- CAEA directed DDOE to issue SEU RFP
- CAEA required SEU Advisory Board to propose performance benchmarks and comment upon draft RFP

SEU Advisory Board

Duties and responsibilities of the Board are:

- ❑ Provide advice, comments, and recommendations to DDOE and District Council regarding the SEU contract
- ❑ Recommend SEU's performance benchmarks
- ❑ Comment on SEU RFP
- ❑ Meet quarterly with DDOE and SEU to monitor programs and Contractor performance
- ❑ Report SEU's performance to the District Council and public annually
- ❑ Convene subcommittees and working groups

Composition of the SEU Advisory Board

Keith Anderson , Chief of Staff, District Department of the Environment	Mayor's Designee, Chair
Richard E. Morgan , Commissioner, DC Public Service Commission	DC Public Service Commission
Chris VanArsdale, JD, LEED AP , Executive Director, Canal Park Development Association, Inc.	Building Construction
Brenda K. Pennington, Esq. , Interim People's Counsel, Office of the People's Counsel	Office of the People's Counsel
Dr. Donna Cooper , Senior Public Affairs Manager, PEPCO	Electric Company
John Mizroch , Counsel, Wilson, Sonsini & Rosati	Councilmember Mary Cheh
Bernice M. McIntyre, Esq. , Director, Regulatory Matters, Washington Gas Light Company	Gas Company
Joseph Andronaco , President, Access Green, LLC	Economic Development Community With Particular Expertise in the Generation of Green Collar Jobs
Larry Martin , DC Chapter of Sierra Club	Environmental Group
Jermaine Brown , DCRA Environmental, LLC	Low-Income Groups
Daniel Wedderburn , Economist & Energy Expert	Council Chairman Vincent Gray
Allison Archambault , Renewable Energy Advisor, Fresh Generation	Renewable Energy
Evan Tyroler , Engineering/Sustainability Specialist, Cassidy & Pinkard Colliers	Building Management

SEU RFP Development

- ❑ As required by CAEA, DDOE hired consultant with experience in the drafting of a RFP for the state-wide provision of end-user energy efficiency services
- ❑ DDOE hired a consultant to assist in developing performance benchmarks
- ❑ DDOE held an industry day on September 15, 2009 to solicit the advice and input of private entities that may bid on the SEU contract
- ❑ DDOE developed the RFP with substantial input from SEU Advisory Board, mostly by consensus

Objectives of the SEU

- ❑ Provide energy efficiency and renewable energy programs for all major market segments
- ❑ Provide programs to traditionally difficult-to-serve market segments
- ❑ Provide programs to market segments that face significant barriers to participation
- ❑ Offer coordinated delivery of energy efficiency and renewable energy programs
- ❑ Identify and leverage opportunities to bring additional funding to the SEU
- ❑ Create green jobs for District residents

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“Affordable Choices for a Brighter Future”

- ❑ Energy efficiency and renewable energy programs provided under brand name **“Green Energy DC”**
- ❑ Portal to provide information about every energy efficiency and renewable energy program in the District, offered by:
 - ❑ DDOE
 - ❑ SEU
 - ❑ PACE
 - ❑ Electricity or natural gas companies
 - ❑ Federal Government
 - ❑ Non-Profit entities
 - ❑ Any contractor or subcontractor for any of the above

SEU Performance Benchmarks

- ❑ Reduce per-capita energy consumption
- ❑ Increase renewable energy generating capacity
- ❑ Reduce growth of peak electricity demand
- ❑ Improve energy efficiency of low-income housing
- ❑ Reduce growth of energy demand of largest energy users
- ❑ Increase number of green-collar jobs

SEU Contract Tasks

- General administration
 - Budgeting
 - Financial management
 - Implementation Contract management
 - Dispute resolution
 - Information technology, data collection, and management
 - Preparation and submission of required reports
- Program research and design
- Program implementation and delivery
- Qualification and certification of SEU's and IC's workforce, support workforce training

SEU Contract Tasks cont'd

- ❑ Program marketing and consumer education
- ❑ Identify and leverage additional funding for the SEU
 - Property Assessed Clean Energy Program
 - PJM Capacity Market
 - Federal and private grants

Terms of Contract

- ❑ Contractor Structure
 - Single firm
 - Team of firms
- ❑ Term of Contract
 - One year
 - Six one-year extension options (contingent upon annual appropriation of funds and District Council's approval)
- ❑ Contract Administration
 - Invoice Payment
- ❑ Funding Sources
 - Sustainable Energy Trust Fund

SEU Budget

- Year 1 - \$7.5M
 - Year 2 - \$15M
 - Year 3 - \$17.5M
 - Year 4 (and Thereafter) - \$20M
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- Leveraged funds (e.g., federal grants) will not change performance benchmarks and incentives

SEU Contract Oversight

- ❑ DDOE will monitor SEU performance with advice comments, and recommendations from the SEU Advisory Board
- ❑ SEU Advisory Board will meet quarterly with the Contractor to monitor the performance of the SEU and its programs
- ❑ SEU Advisory Board will report on the progress of the SEU to the District Council annually
- ❑ DDOE will commission an annual independent audit on SEU performance and expenditures of the Contractor and shall provide the results of this review to the Board and Council within 6 months of the conclusion of each year of the SEU contract

Evaluation, Measurement & Verification

- ❑ DDOE will hold in reserve up to 8% of annual SETF funding for the SEU contract to pay for EM&V of the SEU, less in year one
- ❑ Contractor will have a plan for monitoring and data collection activities for each program
- ❑ In program design, the Contractor will identify appropriate and cost-effective measurement, monitoring, and verification activities for energy efficiency measures that are eligible to be bid into the RPM
- ❑ Contractor will develop EM&V protocols, in consultation with DDOE, and develop and continually update a TRM
- ❑ Contractor may be required to participate in the NEEP EM&V Forum

RFP Timeline

- ❑ Questions Submitted: July 30, 2010
- ❑ Questions Answered: August 6, 2010
- ❑ Statement of Intent: August 10, 2010
- ❑ RFP Response Due: September 1, 2010
- ❑ Bidder Presentations: September 15-17, 2010
- ❑ Contract Negotiations: October 4-15, 2010
- ❑ Contract Execution: November 8, 2010