

SEU Advisory Board

Meeting Minutes

Tuesday, October 29, 2013

I. Call to order

Larry Martin, Vice Chair called to order the meeting of the SEU Advisory Board at 9:45 am Tuesday, October 29, 2013 at the District Department of Environment, 1200 First Street, N.E. Washington, D.C.

Roll call

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

Absent Board Members: Nicole Snarski, Keith Anderson

Other Attendees: Taresa Lawrence, Ted Trabue, Lance Loncke, Hussain Karim, Marcus Walker, Lynora Hall, George Nichols, Mohamed Ali, Nicole Sitaraman, Jon Andreoni, Nicole Rentz, Bob Jose, Dave Good, Steve Seuser, Hanna Greene, Dan Cleverdon, Mike Healy, Daniel White, Herb Jones, Nina Dodge, Brian Gallagher, Barbara Burton, Pamela Nelson, Karim Marshall, Melissa Adams, Meg Moga, John Supp, Michelle Dee

Approval of agenda and minutes

The agenda was approved with the addition of Washington Gas giving a presentation on Dr. Jerome Paige's report on the benchmarks.

The minutes from the August 20, 2013 September 5, 2013 were approved by the Board.

II. Official Business

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

Mr. Martin raised for discussion the provision that was introduced by the Mayor as part of the Sustainable DC legislation. Karim Marshall, DDOE Legislative and Regulatory Analyst, stated that the purpose of the legislation was to create a unified comprehensive planning system and resident feedback forum for all of DDOE administration and energy programs. Instead of having one effort for the DCSEU, PACE, and other Federal programs administered by DDOE, this unified forum would give District residents that ability to come to one venue to learn about all of the programs at one time. Mr. Marshall stated that it also will provide the opportunity for coordination amongst various efforts to minimize incidental or accidental competition. He noted that it incorporates the efforts of the Advisory Board into other outreach efforts that were to be coordinated through the Comprehensive Energy Plan. Daniel Wedderburn asked about the other outreach efforts that Mr. Marshall referenced. Dr. Lawrence mentioned several programs and activities including weatherization, PACE, and the renewable energy program, and she noted that the Public Engagement Process would prevent different discussions occurring in silos, and bring them all together under one umbrella. Dr. Lawrence stated that similar activities occur for the environmental programs of the agency, where quarterly meetings are held with the network of environmental stakeholders. At these meetings, folks come to discuss all environmental issues, including lead, air and water.

Dan Cleverdon asked how many programs are funded with ratepayer's funds. The answer was none, other than the DCSEU's programs. The clarification was made that the electric and gas utility companies were inadvertently excluded from the composition of the Public Engagement Forum. Ms. Mattavous-Frye stated that the SEU Advisory Board is currently constructed to advise DDOE, and DDOE is not required by law to take the advice. She noted that this is not a requirement of the proposed legislation. Ms. Mattavous-Frye stated that without the requirement explicitly stated in the proposed legislation, it presents a void that would be subject to interpretation. She said the document does not mention advice, but it instead states that there will be forum for participation by other agencies. She also noted that it said nothing with respect to what the information will yield or how DDOE will handle the information. She summarized by stating the proposal was just a process, procedure, or forum to have a meeting with the invitees.

Ms. Mattavous-Frye was also concerned about the quality of information and the timing of the information that would be provided. She commented that this legislation does not appear to require the type of granular information that the Board has been focusing on. Her concern was two-fold: the first with respect to what DDOE will do with the information that is provided from this open forum where people are invited, and what would be the quality and level of the information that DDOE will take into account. She echoed Mr. Cleverdon's comments and said this is all ratepayers' money, and to have a lukewarm participation at the level proposed by the legislation raised a lot of concern. She said ratepayer's interest should be adequately protected with the amount of money under consideration, and that major stakeholder should have a role in the process.

Dr. Lawrence thanked the Board members for their comments and feedback, and said they would be taken under advisement. She also mentioned that whole purpose of the public engagement forum is for DDOE to get feedback, comments, and advice on not only the DCSEU, but also on DDOE's other energy programs. The forum would be adding to, and not taking away from, anything that is currently in place regarding comprehensiveness of the current quarterly meetings. She stated that the fact that this is ratepayer funds is well noted by DDOE.

Ms. McIntyre stated that words used in the legislation provide a holistic approach to the energy programs in the District, the DCSEU being one. She stated Washington Gas is concerned about diluting the attention on the DCSEU by considering it among all of the other energy programs. The DCSEU is a private entity with a contract to do a job that was taken away from the utilities. To put the DCSEU into a forum where everything that DDOE does will be considered dilutes the focus that the public can have, eliminates a focused group, and reduces attention on a newly created entity that operates in the District of Columbia.

Nina Dodge asked if clarification could be provided on this bill before moving forward. She asked if it was a proposed amendment to the Clean and Affordable Energy Act of 2008 (CAEA) to dissolve the SEUAB. The answer was yes.

Joe Andronaco stated that he liked the idea of additional public engagement and the idea of looping in some of the other programs such as PACE, since it is a market-based program. He had concerns about the forum becoming too unwieldy to manage, both in providing and receiving information, and having the feedback be actionable. He said there are 10-15 programs that are funded by different sources - some are grant administered; some are market transformation programs like the DCSEU and PACE so it has to be sorted out at that level. He also stated that the forum dilutes the impact of different stakeholders in providing information and having a critical eye on the DCSEU, which is not in the best interest of the administration of the funds. However, he stated that public engagement would be beneficial. He also asked about the execution of this bill, such as how long each meeting would be scheduled for since the Board hardly has enough time in a quarterly meeting to address the issues.

Chairman Kane stated that she was very surprised to see this in the legislation without any input from the Board, the Commission, OPC or any of the statutory members of the Board. She stated that the Commission has been in favor of public participation and transparency, and she can see the value to DDOE for all of its programs having a comprehensive review with a lot of public input. She said she knows that is how the whole sustainability of programs is put together, and although it is a great thing to propose, the DCSEU is very

different from other programs because it is 100% ratepayer funded. She stated that the Commission was opposed to the original setup of the DCSEU. In other states the sustainable energy program or efficiency program, whether it was done internally by the utilities or a separate entity like Efficiency Vermont, Oregon or Efficiency Maine, there was a very close connection to the Public Service Commission since the Commission is the entity that regulates the utilities and is responsible for the use of ratepayers' funds. She noted that even the current setup with the Advisory Board was a compromise to move the DCSEU outside of the Commission's jurisdiction and move the oversight to a separate entity but with statutory membership and participation by the Commission and OPC. She said this involves millions of dollars of ratepayers' funds, and this bill would simply reduce the DCSEU to another contractor, and the whole DCSEU process to another DDOE contract. Chairman Kane said she had very serious concerns about the proposal and about what would happen to the ratepayer funds. She also noted that it moves in the opposite direction from what the Board has been discussing, such as how to get the money into a fund so that it cannot be subject to fiscal year limitations, and thereby can be used to leverage other funds. Making it another DDOE program with a lot of public input with about 27 other programs is going in the opposite direction of being able to accomplish that kind of flexibility.

Mr. Mizroch stated that he agrees with the other comments made. He said that he has two questions, one of which is from a big picture perspective. He asked why DDOE needed additional legislation to coordinate and better run the programs that they are already operating. He said the only program that he was aware of that has this structure is the DCSEU. He said he presumes that DDOE and the Mayor have their own administrative authority to coordinate on this issue. He asked if there was any consultation with Councilmember Mary Cheh's office. Mr. Marshall stated that they drafted and submitted it to the Mayor for inclusion in the Sustainable DC package. He noted that it is not normal to confer with the City Council on the Mayor's legislation. However, after it is submitted, there is a standard legislative process. Mr. Mizroch said the proposal is a pretty significant change to the model that was created in 2008. He said it significantly changes the whole public input and oversight provision of the legislation that created an entity that did not exist before in the District Government.

Mr. Wedderburn said that he agrees with all of the comments made by the SEUAB. He spoke about the role the SEUAB played in the development of the RFP, and he noted that the DCSEU has improved over time due to the deliberations at the SEUAB meetings. He believed there has been definite real movement in the DCSEU because of the interaction of the Board and DDOE

Mr. Cleverdon said the SEUAB advises DDOE but it also advises the City Council and that is statutory. His concern with the proposed legislation was that it removes the community and the stakeholders' review. He said the Advisory Board gathers the information and presents it to the City Council, and this would totally be eliminated when the Advisory Board is eliminated. He noted that although the aim is to try to get all of energy program under one umbrella, this is difficult to accomplish. He said Pepco just recently submitted a proposal in Formal Case 1109, regarding dynamic pricing, but that dynamic pricing also goes into demand response, which is and always will be totally outside the scope of the DCSEU. It would run through the local distribution company because of the nature of the program. So that is an extremely large energy based program that is not going to be with the DCSEU. He stated that the nexus between the dynamic pricing, dynamic response program done by Pepco and the DCSEU actually is implemented by the existence of the Advisory Board. The fact that the Commission is here and Pepco is here along with the DCSEU would be lost without the SEUAB.

Mr. Martin presented a motion to the Board. He said in his opinion, there is one good element in this bill - larger and broader public participation on a regular basis. He said it would be worthwhile to explore what the Board might do to assist, and he proposed holding an evening or a weekend meeting for a larger public comment period. He suggested pursuing this with DDOE in the 2nd Quarter FY2014. Mr. Andronaco made a friendly amendment to ensure that the Advisory Board has no vacancies among its members, who represent various stakeholders. He suggested that the Board get an update from the Office on Boards and Commissions or DDOE as to the status is of the vacant seats. Mr. Andronaco stated that the Board should engage the public more and even invite other DDOE programs that are participating in creating an energy market.

Mr. Wedderburn suggested requesting a meeting with the Mayor or his representative who has dealt with this particular legislation. He said a letter with bullets of the Board's concerns and an actual meeting would be needed. Mr. Andronaco stated that the Board members have stakeholders they confer with to receive feedback from those the Board members represent. Ms. McIntyre stated that as a friendly amendment, the Board is drafting a report for the City Council and she suggested adding a few comments because the report will show the work the Board has done. Mr. Mizroch agreed that the Board members can go back to their various constituent groups because this Board does represent broadly this city.

Mr. Martin stated to Mr. Wedderburn that the idea of meeting with the Mayor and his staff is something that the Board can do individually; however, except for the Chair, one Board member cannot represent the entire Board. Mr. Martin agreed that this issue could potentially be included in the report. Ms. Mattavous-Frye asked for the status of this legislation, if it was before the City Council, and if it would be addressed this legislative session. Ms. Rentz said she believe that it had been assigned to the Committee on Government Operations and Environment chaired by Councilmember Mary Cheh. Ms. Dodge asked if a hearing had been scheduled. Ms. Rentz answered and said it had not been scheduled as yet.

Mr. Martin stated that the motion is for the SEUAB to pilot a community meeting to receive comments on the DDOE energy programs in the 2nd Quarter of FY 2014 and to receive updates from the Office of Boards and Commissions on vacant Advisory Board positions. The motion was seconded and approved by the Board. Chairman Kane asked if the intention was to receive community input on DDOE's programs or on things that the DC SEU might be doing, since the Advisory Board provides advice regarding the DC SEU, and not all of DDOE's programs. Mr. Martin replied by saying the intention was to receive input on the DC SEU's programs. Chairman Kane said the Board should stay focused on the DCSEU programs, and not take on general energy efficiency. Mr. Martin accepted Chairman Kane's recommendations. The motion was unanimously approved.

Mr. Andronaco asked if the recommendations in the Jerome Paige Report will be implemented this year. He asked for the action items and timeframes. Dr. Loncke stated that DDOE is trying to get as much as possible incorporated in the next round of contract amendments which will be presented to the Advisory Board. He reminded the Advisory Board that the amendments are a mutual agreement between DDOE and the contractor; however, he said DDOE will share them with the Board once they have been agreed on and executed. Mr. Andronaco said he understood the process, but would like to have the ability to advise, which is the Board's role. Dr. Loncke said Board members have that opportunity right now. Mr. Andronaco said that he would provide in writing his recommendations. Ms. McIntyre stated that Washington Gas also has significant comments about some of the aspects of the "site energy" method of accounting for energy savings.

Sandra Mattavous-Frye - Discussion on the SEUAB Annual Report

Sandra Mattavous-Frye stated that the Office of the People's Counsel has taken on the task of being the coordinator of this year's annual report of the Board. She said Nicole Sitaraman of her office has really undertaken this task and has done a yeoman's job of coordinating and pulling information together. Ms. Mattavous-Frye publically thanked Ms. Sitaraman. Ms. Mattavous-Frye also thanked the committee members for their input and participation. Ms. Mattavous-Frye then went through in detail each of the sections of the report. She then asked if there were any additions or recommendations, and gave an opportunity for Board members to respond. There was discussion on the Paige report, and its recommendations for the performance benchmarks, as well as the status of the Sustainable Energy Partnership. She noted that today's discussion would lead to a wider range of recommendations.

It was agreed that a lot of the work has been put into the report, and the Board would need to go through and do some final editing of the recommendations portion. Mr. Andronaco said the report just needs some modifications but is very well written. The final logistics of completing the report were discussed, such as dates for a conference call and a deadline for submitting comments. All comments on the report were due to Ms. Sitaraman by November 8th.

Dr. Jerome Paige & Associates Report - Washington Gas Presentation

Melissa Adams of Washington Gas provided a revised presentation of Washington Gas' position on benchmark number one - reduced per capita consumption in the District, an overall benchmark. Mr. Martin provided an overview of the Jerome Paige Report's conclusions to provide greater understanding of the presentation from Washington Gas. He said there were three conclusions. The first point was that the target should be based on making the package as a whole reasonable, taking into account the targets set for other benchmarks. In other words, she said they are using benchmark number one as the final benchmark to be determined after other benchmarks have been resolved. The second point was that the target should take into account the fact that the DC SEU revenues of natural gas are much smaller than electricity. The third point was that the target should take into consideration that the CAEA does not require separate targets for electricity and natural gas. Presently the separate targets introduce complexity and constraints without any additional benefits.

Ms. Adams of Washington Gas said she was happy to support the progress that the Board has made in terms of moving to an "apples to apples" comparison using a BTU measures. She said Washington Gas is concerned about the way energy savings were being calculated. She said the Board needs to remember certain basic principles, and needs to embrace "source to site" because just "site" will produce very misleading, and almost perverse outcomes. She said energy is consumed when raw fuel is converted into a useful form, and most electric conversion is going to occur at remote generating sites, whereas natural gas conversion is going to occur at the place of use, such as direct consumption within an appliance. Ms. Adams stated that this approach is consistent with the Energy Star building designations that are being used throughout the city to support the most efficient energy use. She noted that this approach is really underlying all of EPA's initiatives as well as most leading experts' assessment of energy use. The National Academy of Arlington County is now labeling its buildings with a site to source fuel cycle assessment of BTU and greenhouse gas emissions. Washington Gas is really concerned that if the DCSEU uses only site energy, it is very misleading, and in fact it could have some sort of perverse outcomes and send the wrong signal. She noted that it increases energy use; it increases greenhouse gas emissions, and it also will increase, in many cases, energy costs. She said this sums up the problem. If one looks at site only measurements for standard appliances and water heaters, electric and gas, it would appear that a natural gas water heater is using more energy than an electric heater. However if one factors in the energy that it took to deliver that electricity to the site and transform it into a useful product of hot water, then it is two and half times more times inefficient to use an electric water heater, and this is a problem. She said this is why the Board should look at site to source. One cannot just look at site because it incents the wrong action and rewards the wrong action. She demonstrated energy conversion and said if one excludes source and measures only site energy, the result is to ignore the huge loss that occurs when the energy is transformed into electricity, which accounts for nearly 2/3 of the energy it takes to produce electricity. She said Dr. Paige brought this part of the way by recognizing that there should be a comparison of apples to apples, and the only change is dropping in a column or heading labeled "EPA Source to Site Ratio." Once this is added, there is the "apples to apples" comparison that is the goal with this fairly simple fix or remedy. She said this would be a win-win for everybody. The DCSEU will achieve the energy reduction benchmarks while also achieving the Mayor's Sustainable DC vision. She said this method can lower operating costs for residents and businesses and it will be a win for the environment in decreasing greenhouse mission as well. Washington Gas believes Dr. Paige's approach is headed in the right direction, but if it stays as a site measure, it will be problematic.

Dr. Loncke said the DCSEU's new process already uses the source. The EM&V that is done is based on source conversion; all of the other calculations that are in the Societal Cost Test also capture source conversion, so it is something that is already being done. The 1% target was set on site conversion because a target cannot be set for source conversion. Ms. Adams said it is possible to convert it. When doing the EM&V calculations towards that savings, the methodology goes from source to site. When referring to reduction in energy in these buildings, it is always based on site; the overall energy savings are calculated based on source conversion. Ms. McIntyre asked Dr. Loncke to confirm that the methodology may already be incorporating

source. Dr. Loncke answered yes. He said the EM&V report and even the societal cost is based on source. Ms. Adams said they are really worried on how that benchmark is setup. She said she thinks it is setup under a separate gas and electric measurements and it still perpetuating the 1%. She understood Dr. Loncke's position about the EM&V and how it is incorporated in the programs, but she was still not clear that it is being captured in the benchmarks or measurements.

There was further discussion on how losses during transmission are accounted for. About 8% is lost to delivery at the site then there is another conversion that occurs onsite that needs to be calculated based on the efficiency of the appliance. There were in-depth discussions on the DCSEU targets and how they would be impacted.

Dr. Loncke stated that the main emphasis behind pushing for a unified benchmark is simply based on how the funds are split more than anything else. Looking at the breakout of the funding coming from the electric and natural gas companies, he said it is practically impossible to get to a 1% reduction based on roughly \$4 million dollars from the gas utility company. So the DCSEU would have more authority to go after a wider range of measures both in gas and electric and track that performance based on one unified target. Dr. Loncke also provided clarification regarding the spend requirements of 75% – 125% for each fuel source as stated in the legislation, and provided the justification keeping that 75% requirement but removing the 125% based on the 80/20% split, with 80% from electricity and 20% from gas. He said with regard to the \$16 million that is coming from the electric company and the \$4 million from the gas company, the law prohibits spending more than 125% of the funds coming from a specific utility. Consequently, for natural gas, the DCSEU cannot spend more than approximately \$5 million dollars doing gas related programs.

Ms. McIntyre stated that the company is concerned that the performance measure that the DCSEU uses to ascertain whether or not to select one fuel source over the other is the most efficient, correct one. She said she would be nervous if DDOE would remove either one of the spending limitations if one is requiring a customer use more gas or use less electricity or use more electricity and less gas, thereby permitting greater use of one fuel's ratepayer funds to fund the other fuel's programs. Dr. Loncke stated that is not the case; keeping the 75% guarantees that the DCSEU have to spend three quarters of the funds from each utility on electric or gas related measures. He provided an example of the \$4 million mentioned previously. Under this proposal, the DCSEU will have to spend \$3 million on gas related measures; the other \$1 million can be spent on gas or electric if they choose to. He cautioned that the problem is this cannot work on the electric side, where the remainder cannot be spent on gas because of the 125% upper limit. Mr. Martin stated it would exceed the 125% cap because there is more electricity funds than gas funds. Ms. McIntyre said she understood what he was saying but she was not sure that she agreed with the implication that it was a good thing. Further discussion was held on this issue.

Mr. Martin said that the site vs. source issue was flagged this as a priority issue for the Board to take up at the next meeting. Dr. Loncke informed the Ms. Adams that he would like to go through the details of the EM&V for her offline.

A Pepco representative said that one issue is the concern about equity related to the idea that electricity consumers should pay for measures that benefit them and the programs they participate in should provide an opportunity to reduce their bills, and not just reduce bills for customers who are wealthy and able to convert from electric space heating to natural gas. He also mentioned that Washington, D.C. is an urban environment and anything that burns additional fuel in the city creates localized pollution and this deserves recognition because electric vehicles are being promoted in the city.

The issue of per capita being the denominator in this benchmark was discussed, and the fact that the population of the District is not used to measure this benchmark. Dr. Loncke said this has not been done because the DCSEU has no control over the population in the District. Mr. Martin agreed. Options were discussed, such as holding the population constant, using the District's population, not the daytime population, and amending the legislation.

Mr. Karim stated the per capita energy savings benchmark can be viewed as consistent with the CAEA as long as one holds the District's population constant. Mr. Martin said he still thinks it is a problem because the population is only about 17% of the District's energy use; and so the benchmark is not really accounting for the majority of the energy use which is comprised of the large commercial buildings.

Mr. Martin mentioned that Mr. Andronaco discussed the low-income measure, and that he believed rolling back the dedicated funds for low-income was a bad idea. The Paige Report suggested rolling it back from 30% to 20%. He asked if there was a rationale that DDOE found persuasive or if there was any thinking on DDOE's part about that recommendation. Dr. Loncke said when viewing from the efficiency stand point of doing low-income programs versus large programs, the yields from the low-income programs are much lower than the large commercial programs. He said asking the DCSEU to spend 30% of its budget on low-income programs is roughly about \$5-6 million dollars a year depending on the budget. He added that the \$6 million dollars a year on low-income programs produced have a very low yield which makes it a little more difficult to the already difficult 1% benchmark because of the money that has to be set aside for low-income measures. Dr. Loncke noted that with most of the low income programs, the DCSEU has to fund 100% of the measures to be able to get them done in the homes and businesses across the District. He said the DCSEU cannot use the market-based approach that provides a partial incentive to make a significant impact in low-income communities. He said this was the primary reason for rolling it back, i.e., to give the DCSEU some additional flexibility and more funds to really go after the larger yield projects - basically the commercial projects side of the equation. Dr. Loncke said the 20-30% should not have that significant an impact or ability to service low-income people around the city. The second reason the expenditure measure had been reduced is because if the low income target is instead set a savings measure, there will be a target within a target. The DCSEU will be counting one set of savings towards the low-income target and also those same savings would rollover into the overall 1% target. So DDOE is trying to strike that balance that considers separately the performance measures or performance targets for each of the benchmarks. He said DDOE acknowledges that there are certain concerns about having a spending target for low-income, but there are things that DDOE is considering putting in the benchmarks to ensure that spending is being done in a cost effective manner. DDOE recognizes the importance of the programs for low-income residents but at the same time emphasizes that the DCSEU should achieve at least a cost effectiveness ratio of one. So stakeholders will know for certain the programs as a whole are cost effective versus just having another savings target.

Ms. Mattavous-Frye said that this was one of her major concerns and she raised it on a number of occasions in terms of the actual savings that are rendered from some of those low-income programs. She said she was particularly concerned with the free handout of light bulbs from Martha's Table where there is no real measure or whether they are being used and if they are getting some sort of effective efficiency savings. She said that was her concern and it was a major concern in terms of making certain that the money is being used effectively. She said a cost benefit ratio would be an enhancement and provide some comfort that ratepayer funds are not being wasted. Dr. Loncke stated in the current EM&V work done by the consultants is capturing some of those issues. An example is determining the leakage rate when these light bulbs are given out, what percentage is actually being installed or even leaving the District. The EM&V contractor is looking at this holistically to capture the benefits coming from these programs.

Mr. Martin turned to Benchmark #6 which is Green Jobs. Ms. Martin asked Dr. Loncke to provide a sense of where DDOE stands on the recommendations from the Paige Report with respect to Green Jobs. He said his particular interest was in the area of estimating jobs as opposed to getting the 100% compliance information, which is a burden since it requires collecting actual data to calculate green jobs. Dr. Loncke said DDOE will be discussing all of the benchmarks, but as it relates to the green jobs in particular, some of the ideas put forward in the report are very encouraging. He pointed to moving the requirement from 2,080 hours down to 1,950 hours per FTE. Ms. Mattavous-Frye asked what the 1,950 represented. Dr. Loncke stated it is the number of hours for a person to be considered a full-time employee. Ms. Mattavous-Frye asked how it compares to the 2,080 hours. Dr. Loncke said the 2,080 figure includes vacation time and most contractors and crew, unless they are doing extremely well, would not receive paid vacations. The second proposal on the estimation of jobs is something that DDOE will have to spend several months on to have a solid methodology based on the DCSEU experiences and along with some experiences of similar projects at the national level. He

provided the following example: Assume the DCSEU is co-financing some work being done with DC Water. DC Water has its own contracting crew already in place that is doing some upgrades but the DCSEU wants to be able to get some credit for the funds it is providing and the hours that are being worked on that project. Dr. Loncke said it can be very difficult to get that green job information from DC Water's contractors. In terms of estimating, he noted that DDOE will have to design a model that describes "x, y, and z" measures and "x, y, z" man hours to complete the entire project. He suggested that perhaps the DCSEU can take 10-15% of those hours on that project and count it towards their overall green jobs target because they financed a portion of the project. So the estimation is something that DDOE will have to work through. He said that DDOE needs to start developing a methodology that is acceptable, and that the group will adopt for counting the total number of hours worked by all DCSEU activities. In other words, counting green jobs is something that is ongoing and DDOE will need to consider different options. Dr. Loncke said the third piece is a more difficult one. DDOE requires that the target be filled by 100% District residents. However, given the fact that some of the DCSEU operations will involve non-District residents, it need to be determined to what extent does DDOE want to consider that and give the DCSEU any credit for it. This will be considered moving forward. DDOE know how strongly stakeholders felt about the District resident requirement when this benchmark was developed. These are District ratepayer funds so the jobs should be going to District residents and DDOE shares this view. At the same time DDOE and the Board have to consider the dynamics of how things are done.

Ms. Mattavous-Frye said the measure and methodology would be extremely important to insure there is some accurate accounting. When dealing with estimates there is some reconciliation that must be done to verify whether or not those estimates are consistent with what the actual outcomes are. She suggested this as a factor which should be included. Dr. Loncke said it would be considered, which is why he anticipated that would be a several months process to analyze and develop a methodology, especially since no other jurisdiction in this country is measuring green jobs like the District is. The District is inventing the wheel on this issue.

Mr. Martin said there was one set of minutes to approve and he asked for comments or motions on the September 5, 2014 minutes. Ms. Dodge identified a mistake on the attendance list, where the person's name should be John Wickham not John McGregor. Ms. Mattavous-Frye asked how much additional funds the DCSEU got from the Federal Government or any other extra funding. Mr. Ted Trabue said that the DCSEU received some funding from the Federal Home Loan program. Ms. McIntyre moved to adopt the minutes as they were with the one change. It was seconded and approved.

Ms. McIntyre added one comment. She said it was her hope that this meeting was informative in sharing expertise and information to make sure that everyone was on the same page. She said this kind of dialogue can only happen in a setting like this Board, and if the Board were to be dissolved, this kind of exchange will no longer take place. She said the Board has a lot of expertise and DDOE is struggling with nuances along with trying to do something that has never been done before. She recommended thinking of all the help that can be received and not eliminating the help.

III. Adjournment

Larry Martin adjourned the meeting at 12:15 pm.

Minutes prepared by: Lynora Hall