

Clean Energy Advisory Board Meeting

June 23, 2020

Meeting Minutes - APPROVED

A regular meeting of the Clean Energy Advisory Board was held virtually on Tuesday, June 23, 2020. Chair Hannah Coman called the meeting to order at 9:02 a.m. EDT. DMME staff Carrie Hearne read the General Assembly's Acts of Assembly language that established parameters for conducting official and legitimate electronic meetings. On a motion by Greenleaf, seconded by Warren, the group determined that this meeting qualified as an electronic meeting under the terms of the Acts of Assembly.

Roll call was taken, and the following Board members were present: John Warren, KC Bleile, Bill Greenleaf, Hannah Coman, Janaka Casper, Will Reisinger, Katharine Bond and Susan Kruse (with eight members present, this comprised a quorum). DMME staff in attendance included Carrie Hearne, Dan Farrell, Jordan Burns and Barbara Simcoe. Representatives from the public also joined the virtual meeting. After due consideration, on a motion by Bleile, seconded by Warren, the Board unanimously approved the February 12, 2020 meeting minutes. After due consideration, on a motion by Kruse, seconded by Bond, the Board unanimously approved the CEAB By-laws.

The Board heard four presentations, as follows:

Nicole Steele (former Executive Director of Grid Alternatives Mid-Atlantic) – Steele spoke about models for the best approaches to low-income customer solar. Models should be “intentional,” and include policy, partnership, and financial pieces to be successful. Policy considerations include the existence of a renewable energy portfolio, the solar energy Renewable Energy Credit (REC) market, and the need to show homeowners the benefits of solar. Partnerships with affordable housing partners to provide education, government agencies to build trust, solar installers to share success stories from homeowners, and workforce development entities to support job training can help influence homeowners to sign up for solar installations. Financial incentives for homeowners include grants, leveraging the federal tax credit (currently 26%), on-bill financing, and third party or homeowner-owned RECs. She also discussed some successful solar programs in Washington, D.C.

CEAB member Susan Kruse (Community Climate Collaborative, or “C3”) - C3 partners with communities to develop solutions to address climate change. Kruse discussed the concepts of “energy equity” and “energy burden” as they applies to the Charlottesville area of the Commonwealth. Energy equity means all households have access to clean, affordable, secure

energy services; this overlaps with “climate justice,” which addresses that the impacts of climate change fall most heavily on the most vulnerable communities. Energy burden is defined as the percentage of a family’s income that is devoted to energy costs. C3 used the US Department of Energy’s LEAD tool to determine that census tracts in Charlottesville average a 4% energy burden. However on further analysis, using 10% as a criteria for an energy burden that is too high, certain tracts in lower-income areas show that up to 20% (and in some cases more) of the family budget is spent on energy costs. C3 is working to demonstrate that energy burden affects affordability of housing, and lowering energy burden helps families better meet basic needs. Low-income solar assistance helps further relieve this energy burden in conjunction with energy efficiency and provide more equitable access to clean energy.

Dan Farrell (DMME) – Farrell described a pilot solar demonstration project in Virginia that will be used to determine useful data and lessons learned before launching a larger program. The demonstration project would include installing solar panels on a group of homes where the homeowners meet criteria such as having received Weatherization Assistance Program (WAP) services, and Low-Income Home Energy Assistance Program (LIHEAP). After the system is installed, the production will be monitored for one year, and with homeowner’s permission, the reduction in electricity bills will be calculated to see how much money is saved in a year on average by the households. Outcomes will include a small step (as the state reopens from COVID-19 restrictions) set of best practices in terms of finding participating families, funding options, and lessons learned to use with a larger scale program.

Carrie Hearne noted that DMME can move forward when the current state budget freeze has been lifted by the Governor, but that a longer-term solution for funding a larger program still needs to be determined.

CEAB member Will Reisinger – Reisinger described major General Assembly actions that occurred in this year’s legislative session, including:

- Virginia Clean Energy Act (VCEA) – A far-reaching new law. It establishes mandatory renewable energy portfolio standard (RPS) for utilities by certain dates. VCEA has many other provisions to encourage clean energy development such as:
 - Extends net metering cap from 1% to 6% (including 1% of 6% for low-income families);
 - Expands the Power Purchase Agreement (PPA) pilot program;
 - Mandates that utilities must propose and build a certain number of wind and solar projects by 2035; there is a carve out for smaller distributed generation projects; and

- Requires that investor-owned utilities consult with the CEAB on how best to inform low-income customers of opportunities to lower electric bills through access to solar energy.
- HB 572 – Allows multi-family housing residents to purchase a portion of output from solar facilities from utilities (“shared solar subscribers”)
- SB 629 – Allows customers to purchase solar from third-party owned systems, up to 150 MW cap, including low-income households.

The SCC will do rulemaking for these laws. Reisinger indicated that clean energy advocates should pay close attention to these rulemaking proceedings. He said the rulemaking should include “shared solar” research and information for the CEAB.

Carrie Hearne noted that the pricing for households to participate in community solar programs is an important consideration and could be a topic area for future CEAB discussion. Greenleaf asked if the shared solar opportunities can be administered by entities other than utilities; Reisinger confirmed this is the case. Greenleaf noted there are some promising models in other states (e.g. MD) on shared solar for LMI customers.

Board 2020 Strategy Discussion: Open discussion among the Board members focused on follow-up items from the February 2020 meeting and focused on goals to accomplish before the next Annual Report is submitted in 2021.

- The group had planned for conversations with legislators around the LMI solar program funding structure to take place by Fall 2020; is this schedule still tenable?
- Committee work efforts --- both the program and stakeholder outreach committees reported that no work had been accomplished to date because of the pandemic and the issue of whether/how to hold public meetings. DMME staff will check with OAG to confirm the parameters of holding electronic subcommittee meetings. Kruse noted that how to conduct stakeholder outreach in the COVID-19 era needs to be clarified.
- Bleile stated support for demonstration project. Bleile noted that as COVID-19 continues to have impacts on communities with energy burden, we should continue to push forward with our work; Kruse noted that clean energy can also be viewed as an economic stimulus; there may be other funding opportunities for CEAB emerging. Hearne noted COVID-19 is having an adverse impact on clean energy workforce.
- There are several open seats on the CEAB, and the process is underway to fill some of those seats. Two new seats were added per HB 1707 (as of July 1, 2020) by the General Assembly. We are seeking diversity in the Board’s makeup and this is a priority going forward.

Chair Coman provided a summary and guidance to the Board going forward:

- Coordination with utilities on marketing; suggests inviting utilities contacts to a meeting;
- Continue to work on program design; REC market research should continue, as this is potential funding source; and
- The nature of meetings we can hold will influence our work going forward so we need to resolve as quickly as possible; both program design and market/outreach work needs to continue.

Public Comments: Two members of the public offered statements:

- Sam Brumberg spoke about electric cooperatives' on-bill financing work being in a holding pattern for now do to COVID pandemic, it's likely a late 2020-early 2021 timeframe at this point;
- Karla Loeb discussed solar mapping efforts; there may other funding opportunities in General Assembly; SREC program does not start until 2021 and is based on 2020 consumption baseline, but due to COVID impacts and reductions in electricity consumption in 2020, this will impact the SREC market, dropping \$15-25 in value which is significant.

There being no other comments or business to conduct, Chair Coman thanked everyone and moved to adjourned the meeting at 10:48 am EDT.

(June 29, 2020)