

Whole-Building, Deep Energy Retrofit Program Charter of the District of Columbia

1.1. Overview of the Project

The Whole-Building, Deep Energy Retrofit Program (“Deep Retrofit Program”) was created to assist affordable multifamily building owners with energy efficiency retrofit financing and help them identify other energy programs that would help minimize their buildings’ energy usage. In accordance with the Public Service Commission of the District of Columbia (“Commission”) Order No. 20236, the Commission established and directed the Energy Efficiency and Energy Conservation Task Force (“Task Force”) along with the selected Implementer to develop: (1) a Deep Energy Retrofit Program targeted primarily towards both affordable multifamily units and master-metered multifamily buildings in the District, which include low- and limited-income residents; and (2) consumer education and outreach measures related to the implementation of the Deep Retrofit Program. The program was established based on the funding of \$11.25 million (“EEEC Fund”) from *Formal Case No. 1119*, Merger Commitment No. 7.

2.1. Purpose of the Project Charter

This Charter, upon adoption by a majority vote of the Task Force members, will govern the functions, purposes and operation of the Implementer and the Task Force in developing and implementing the Whole-Building, Deep Energy Retrofit Program in the District of Columbia.

3.1. Project Objective/Scope:

The Task Force and the selected Implementer shall meet to develop a program plan to implement the Deep Energy Retrofit Program to meet the following goals and objectives:

a. Primary Goals:

- i. Increase the energy efficiency of low-income District of Columbia (“DC” or “District”) multifamily buildings as well as address underlying health and safety concerns required to deliver energy efficiency savings;
- ii. Provide financial and technical assistance to owners of multifamily buildings that serve primarily low- and limited-income households to help meet the building energy performance standards (“BEPS”) set by the District of Columbia

Department of Energy and the Environment (“DOEE”) as required by the 2018 CleanEnergy D.C. Omnibus Amendment Act; and

- iii. Engage with and inform low-income District households about the benefits of energy efficiency.

b. Secondary Goals:

- i. Maximize greenhouse gas reductions through deep energy retrofits;
- ii. Improve housing affordability and provide other economic and health benefits to disadvantaged communities; and
- iii. Leverage other existing District incentive and financing programs.

4.1. Members and Duties:

a. Task Force:

- i. **Deliverables:** Pursuant to Commission Order No. 20236, the Task Force was established and directed to issue a request for proposals and recommend the selection of a Deep Retrofit Program Implementer to help plan and develop a Deep Retrofit Program in the District for the Commission’s approval. Upon approval of the selected Implementer by the Commission, the Task Force will work with the Implementer to propose a Deep Retrofit program and implementation plan. The Task Force will work with the Implementer to launch the program and serve as a sounding board for the Implementer and provide guidance on any day-to-day issues and oversight to ensure that goals of the program are being met. The Task Force will exist for the duration of the Deep Retrofit Program Implementer’s contract and program completion.
- ii. **Members:** Pursuant to Commission Order Nos. 20251 and 20280, the Commission designated the following entities as members of the Task Force: (1) Commission Staff, (2) the Office of the People’s Counsel (“OPC”), (3) DOEE; (4) the National Consumer Law Center (“NCLC”); (5) the National Housing Trust (“NHT”); (6) the Potomac Electric Power Company (“Pepco”); and (7) the Apartment and Office Building Association of Metropolitan Washington.

1. **Chairperson:** NCLC and NHT shall be the Chairperson of the Task Force for the Task Force meetings. Selection of the Chairperson was by a majority vote of the Task Force members. The Chairperson shall be responsible for scheduling meetings, drafting and circulating meeting agenda, and running Task Force meetings. The Chairperson shall facilitate the Task Force's performance of its duties in the interest of administrative efficiency. The Chairperson shall make all formal statements (*i.e.* filings to the Commission) on behalf of the Task Force on matters pertaining to the function, purposes, and operation of the Task Force. The Chairperson shall also assume other responsibilities as agreed upon by a majority of the Task Force.
2. **Vice Chair.** DOEE shall be the Vice Chair to preside over the Task Force meetings in the absence of the Chair. Selection of the Vice Chair was by a majority vote of the Task Force members. The Vice Chair shall assume all responsibilities agreed upon by the majority of the Task Force, except that the Vice Chair shall not assume responsibilities reserved for the Chair.
3. **Secretary:** OPC shall be the Secretary to preside over the Task Force meetings. Selection of the Secretary was by a majority vote of the Task Force members. The Secretary shall be responsible for taking meeting minutes for the Task Force meeting.
4. **Voting:** At any meeting of the Task Force, every member organization is entitled to vote and must be present to vote. A Task Force member shall be considered to be present if he or she attends the Task Force meeting via a telephone, video conference call, or in person. Each member organization shall have one vote. Voting by proxy is not permitted. If any individual other than the established representative or alternate is to vote on behalf of a member organization, a formal email notification must be provided to the Task Force Chair. All matters before the Task Force shall be determined by a majority of the members present. All votes shall be recorded.

5. **Quorum.** A majority of the Task Force members (four (4)) must be present to constitute a quorum for the purpose of conducting Task Force meetings. Should a quorum fail to be present, the Chair, or in the event of a vacancy in the Chair, the Vice Chair or the Secretary, shall adjourn proceedings on Task Force matters to another date and time.
- iii. **Meetings:** Meetings of the Task Force shall be held at least monthly or more frequently as approved by a majority of the members of the Task Force.
1. **Place of Meetings:** The Task Force shall hold its meetings virtually via video conference or alternately, in person at a place within the District of Columbia that is publicly accessible.
 2. **Time of Meetings:** Task Force meetings shall be held at a time to be determined by a majority of the Task Force members, and notice of time, date, and location thereof shall be given to all members and the public no later than 48 hours in advance of the meetings.
 3. **Agenda:** At each Task Force meeting, the agenda for the next meeting shall be discussed. An agenda for a meeting shall be presented to Task Force members at least 48 hours days prior to the scheduled Task Force meeting. Task Force members may suggest additions, deletions or suggest other changes to the agenda. The agenda as proposed must be adopted by a majority vote of the Task Force.
 4. **Record of Meetings:** A written copy of minutes shall be kept for all meetings. Copies of such minutes will be available on the Commission's E-docket system in *Formal Case No. 1148*. Confidential Information, as defined immediately below, contained in the minutes will be redacted by the Secretary prior to being made public.
 5. **Confidential Information:** For purposes of this Charter, "Confidential Information" means any information, including, but not limited to, documents, audio recordings, and communications exchanged among Task

Force members, their staff, management, consultants, experts, clients, and/or counsel, that would qualify for an exemption to disclosure under the District of Columbia's Freedom of Information Act (D.C. Code § 2-534(a)), including the deliberative process privilege where applicable.

6. **Public Notice:** The Task Force shall give public notice of its meetings via the Commission's E-docket system in *Formal Case No. 1148*, or in any other manner directed by the Task Force at least 48 hours days in advance of the meetings. The notice shall include the agenda, if such has been determined at the time, and the dates, times and places of such meetings; however, the agenda shall be subject to change to exclude existing items or include additional items.

iv. **Recommendations/Reports:**

1. **Recommendations:** The Commission shall review and make a determination on the recommendations submitted by the Task Force. A Task Force member who wishes to submit his or her dissent from a recommendation of the Task Force shall prepare a written dissent, prior to the Task Force's final adoption of its recommendations, which shall outline the reasons for the opposition or disagreement to the Task Force's recommendations. When a Task Force member has prepared a dissent, the Chair, or in the event of a vacancy in the Chair, the Vice Chair or the Secretary, shall include a copy of the dissent as well as the Task Force's recommendations in the submission to the Commission.
2. **Reports:** Per Order No. 20663, the Task Force shall present a report on the progress of implementing the Deep Retrofit Program annually, with the first report being due 14 months after the execution of the Implementer contract (or 2 months after the first calendar year of operation). The Task Force will make this document available to the public in the Commission's E-docket system in *Formal Case No. 1148*.

b. **Implementer:**

- i. **Scope of Work/Deliverables:** The Implementer is to design and implement a Deep Retrofit Program serving primarily low- and limited- income multifamily buildings to help building owners comply with building energy performance standards as part of the CleanEnergy D.C. Omnibus Amendment Act of 2018. The Implementer shall ensure that all goals and tasks as listed below are accomplished:
 1. Coordinate among the following critical energy efficiency agencies and other program implementers and stakeholders in developing the District's Deep Retrofit Program: This includes participation in the city-wide energy efficiency goals as well as collaboration with, as appropriate, Pepco, the District of Columbia Sustainable Energy Utility (DC SEU), DOEE, the District of Columbia Housing Finance Agency (HFA), the District of Columbia Housing Authority (DCHA), the District of Columbia Green Bank (DCGB), the District's Department of Housing and Community Development (DHCD), Community Development Financial Institutions, OPC, NHT, NCLC, and other relevant agencies and organizations.
 2. Engage community residents, property owners and community-based non-profit organizations: These activities may include community outreach, education, and program advisory activities.
 3. Develop a full program design proposal: The program design proposal should indicate allocation of the allotted \$11.25 million against program administration costs, participant incentives, and all other non-incentive program costs. The program design proposal should also indicate the scope of measures allowed under the program portfolio, guidelines for the amount of non-energy savings spending per project, and estimated energy and demand savings. Program design may include technical assistance, outreach and marketing, and other key implementation activities.
 4. Develop and execute a marketing strategy: Marketing and outreach will include as necessary messaging and creative content creation, media

selection and buys, a website that meets all Pepco brand standard requirements, and other marketing and outreach requirements as determined by the Task Force.

5. Develop and execute customer outreach and resident impact strategy: Customer outreach and resident impact management should include an assigned point of contact with the Implementer for each participating facility with a dedicated phone line to answer facilities management questions as well as questions from directly impacted residents and sufficient resources to meet program needs. The Implementer must meet customer satisfaction needs.
6. Build a Trade Ally Network: The Implementer will establish key requirements for participating trade allies in consultation with the Task Force. The Implementer should competitively select trade allies. The Implementer should consider equity and quality Trade ally network when creating events and possibly consider including information sharing opportunities on program best practices, any changes to implementation requirements, and opportunities to share project leads.
7. Develop and execute program implementation plan: The Implementer shall provide a clear plan with established milestones for executing program goals (including plans for identifying and screening building projects to identify opportunities for greatest energy savings; managing a portfolio of whole-building, deep energy retrofit projects; and using a cost-benefit analysis to determine the feasibility of measures) ensuring adequate resources, meeting deadlines, and efficiently using allocated funds.
8. Provide technical assistance to building owners and facilities managers: The Implementer shall provide substantial technical assistance and engineering support throughout project execution. Technical assistance and services will include the following:

- A. Develop a whole building energy audit and model to develop a comprehensive scope of measures to be installed to achieve the highest energy savings reductions;
 - B. Negotiate project scopes of work with building owners, including the identification of energy efficiency equipment;
 - C. Provide technical support as needed for building owners' procurement of subcontractor(s); and
 - D. During construction, provide project management and support services, including ensuring that all required permits are obtained for the project, facilitating scheduling of contractors to ease the administrative burden on the owner, and provide other services as needed to ensure projects stay on target with the building owner's work plan and budget.
9. Establish quality assurance/quality controls: This includes developing a quality control plan, ensuring that equipment is installed according to all relevant regulations, codes, and standards, including BEPs requirements established by the 2018 CleanEnergy D.C. Omnibus Amendment Act and regulations promulgated by DOEE, providing and executing a plan to ensure project implementation is of a high quality and funds are being spent consistent with program design standards, and meeting other reporting requirements.
10. Data collection and storage oversight: The Implementer will ensure acceptable data collection, storage, and management capabilities, including the proper use and storage of customer-protected materials and/or personal information. The Implementer will ensure that the property owner adheres to the District's benchmarking requirement and BEPs, where applicable. The Implementer will ensure that the property owner provides the requisite building energy data to track pertinent outcomes of the deep energy retrofits. The Implementer will also ensure that Pepco customers provide written consent that will allow Pepco to provide Pepco account information

to the Implementer, program contractors, and the Task Force for use in Deep Retrofit Program implementation and evaluation.

11. **Program Evaluation:** In consultation with the Task Force, the Implementer will evaluate program success.
12. **Reporting:** The Implementer shall provide a quarterly report to the Task Force on the program's progress and performance. The Implementer will provide, as needed, information for purposes of reporting to regulators or other governmental agencies. The quarterly report shall be provided to the Task Force at dates certain agreed upon by the Implementer and Task Force.

ii. Receipt of funds:

1. **Implementer Contract:** The Implementer Contract shall be funded by the EEEEC Fund. Per Order No. 20236, The Task Force make a recommendation to the Commission for approval of the Implementer Contract. The Task Force's recommendation shall include the frequency of disbursements from the EEEEC Fund to Pepco, to pay the Implementer for work completed. The Implementer Contract will not be paid absent Commission approval of the transfer of funds to Pepco from the EEEEC Fund. Per Order No. 20663, the Commission directed Pepco to release an initial \$5.25 million of the EEEEC fund to cover preliminary costs of implementing the Deep Retrofit Program, including the Implementer's administrative cost. Pepco will discuss invoices with the Task Force as disbursements to the Implementer are made at the Task Force meetings.
2. **Project funding:** The Deep Retrofit Program shall be funded by the EEEEC Fund. Per Order No. 20236, the Task Force shall make a recommendation to the Commission for approval to release funds from the EEEEC Fund for the Implementer to commence the Deep Retrofit Program implementation. The Task Force's recommendation shall include the frequency of disbursements from the EEEEC Fund to Pepco, to pay the Implementer to fund the Deep Retrofit Program. Per Order No. 20663, the Commission

directed Pepco to release an initial \$5.25 million of the EEEF fund to cover the cost of marketing, Implementer's administrative cost, related subcontracts, and initial incentive reimbursements, to support the commencement of implementing the Deep Retrofit Program. The Task Force shall submit a report annually to the Commission on the progress of implementing the Deep Retrofit Program, including the status of funds paid to the Implementer. The Commission will review the annual reports filed in 2022 and 2023 to evaluate the need for further disbursements to support the Deep Retrofit Program.

- iii. **Enforcement of Implementer Contract:** Pepco shall have the authority to enforce the Implementer's Contract and any subcontractor agreements signed by the Implementer to execute the Deep Retrofit Program in accordance with the District of Columbia laws.

5.1. Constraints

- i. **Cost/Length of Program:** The Implementer shall manage the Deep Retrofit Program until exhaustion of the funding of \$11.25 million and any accrued interest.
- ii. **Implementer Contract Administrative Costs:** Pepco's administrative costs as contract administrator shall be funded by any accrued interest of the EEEF Fund. Per Order No. 20663, Pepco shall track the cost of managing and monitoring the Deep Retrofit Program Implementer and include the total cost accrued in the 2023 Deep Retrofit Program annual report, for the Commission's approval.
- iii. **Disbursement of Funds:** All disbursements to Pepco to compensate the Implementer or Pepco from the EEEF Fund and any accrued interest shall be approved by the Commission, taking into account the recommendations of the Task Force.

6.1. Confidentially Agreement:

For the purpose of implementing the Deep Retrofit Program, if a member of the Task Force shares

Confidential Information with the Task Force, the disclosing member shall first provide a confidentiality agreement for all members of the Task Force to sign to enter into a confidential relationship with respect to the disclosure of Confidential Information, as defined above.

7.1. Conflict of Interest

i. Public Disclosure Obligation of the Task Force Members

Members of the Task Force, officers and agents of the Task Force shall conduct their business, investment, and personal affairs in such a manner as to avoid any conflict with their duties and responsibilities to the Task Force and shall act with the highest ethical standards in carrying out their duties with respect to the Task Force (the “Policy”). This Policy regarding conflicts of interest shall apply to any transaction or arrangement with a member the Task Force, or any other consultant or person in a position to exercise substantial influence over the Task Force’s affairs. This Policy shall also apply to any transaction or arrangement with any entity in which an interested person has (i) an ownership or investment interest, or (ii) a potential ownership or investment interest or compensation arrangement. This Policy shall not apply to any transaction between the Task Force and the District of Columbia.

The purpose of this Policy is to promote transparency and full disclosure, to avoid the appearance of any conflict of interest and to establish a process by which potential conflict of interest issues are resolved. Therefore, this Policy obligates every member of the Task Force, as well as any consultants to the Task Force, to provide to the Commission within thirty days of the adoption of this public disclosure obligation or upon the creation of such an obligation thereafter, a written disclosure statement which includes the information requested in the Disclosure section below. Furthermore, it is the duty of the Task Force member or consultant to revise their disclosure statement if they become conflicted in the future.

i. Specific Procedures to Implement the Conflict of Interest Policy of the Task Force

a. Disclosure:

1. Whether the individual member holds any financial or ownership interest in a company or entity, other than the company or entity it represents on the Task Force, that may submit a bid to provide services to the Commission and Pepco for the implementation of the *Formal Case No. 1148* Deep Retrofit Program. This requirement applies regardless of whether the member represents a public agency or entity or private entity on the Task Force.
2. If an individual member holds such an interest, the member must: (1) identify the name of the company or entity in which s/he holds such an interest; (2) provide a general description of the type of services that company or entity is licensed to offer; (3) describe the interest in the entity; and (4) indicate whether s/he is a principal or officer of the entity.
3. The obligation to disclose the financial or ownership interest in such an entity is a continuing obligation requiring that at any time a member acquires such an interest, disclosure to the Commission is required within thirty days of the creation of the interest.
4. The disclosure statements submitted to Commission shall be made public and available for review by members of the public.

8.1. Amendments to Charter

- a. This Charter may be amended or repealed by the Task Force upon the affirmative vote of a majority of the members.