

DRAFT MEETING MINUTES
Policy & Regulatory Committee
Clean Energy Advisory Board
Monday, September 13, 2021
Charlottesville, VA

In attendance:

Committee members: Sam Brumberg (Chair) Will Reisinger, Will Cleveland, Sarah Nerette (Quorum met) (Absent: KC Bleile)

State staff: Carrie Hearne, Michael Skiffington, Grant Kronenberg, Al Christopher (Webex) and Aaron Berryhill (Webex)

Guest presenters: Wafa May Elamin, Nate Hausman (by Webex) (Clean Energy States Alliance)

Committee Chair Sam Brumberg called the meeting to order at 12:12pm.

Brumberg reviewed an opportunity for the Committee to adopt the proposed electronic meeting policy to conduct business in accordance with new provisions. See attached policy.

Motion:

Will Cleveland moved to adopt the policy. Seconded by Will Reisinger.

All in favor. The motion carried.

On the topic of solar leases, there was a brief discussion that at some point there were concerns raised on the legality of solar leases as a net energy metering (NEM) mechanism pursuant to §56-594 and 594.01 and whether a NEM customer generator needs a certificate from the Commission when conducting solar activities pursuant to a solar lease.

Chair Brumberg summarized his view on this topic, that solar leases are undoubtedly a legal method for NEM customer generators to finance their solar. Additionally, CPCNs for generation are not required. Both are beyond any doubt.

Will Cleveland, Will Reisinger, and Sarah Nerette were all in agreement with the Chair to this principle.

Proposal: The Board does not need to get a declaratory judgement from the State Corporation Commission to settle questions, rather, the recommendation is to obtain a letter from the major utilities stating there's no objection to solar leases and third party ownership. This would be faster and easier to obtain. It was observed that if there are any parties that would object to this solar ownership model, it would be the utilities.

The Committee is proposing to draft a Memorandum of Understanding (MOU) that would be between Old Dominion Power (Kentucky Utilities), Appalachian Power Company (APCo), Dominion (DOM), and the electric co-ops, stating that solar leases and third party ownership is legal and that no CPCN (certificate of public convenience) would be required. This would be faster, and if there's controversy, there would then be a case for a legal judgement to take before the Commission.

CESA is comfortable with this approach in terms of how it relates to the forthcoming RFP. DMME and AG staff are comfortable with this approach. There would be a letter that could be presented to contractors during the RFP process to alleviate concerns.

CPCN's under any statutory requirement are not needed for any project occurring under 56-594 or 594.01. Is it net metering? No certificate is required.

Motion:

The Committee authorizes Chair Brumberg to draft the MOU discussed today.
Cleveland so moved; Reisinger seconded.
All in favor; motion carries.

Motion:

Present the minutes of this meeting along with proposal regarding MOU with Chair of Board and to receive any further guidance as she may direct.
Moved by Cleveland; Second by Nerette.
All in favor; Motion carries.

Motion:

Committee continues work on MOU, get signatures from the utilities to then present final report on this topic to full Board at the next meeting.
Moved Reisinger; seconded by Cleveland
All in favor; Motion carries.

Additional questions for CESA regarding July 21st presentation. Slide 13: SIR >1 and HERS rating for EE to serve as proxy for 12% EE reduction.

Wafa May: the intent of the pilot program is to look at homes which have already been retrofitted through the Weatherization program.

In addition, the CEAB 2020 annual report references the SIR and HERS rating should be used as a proxy for the exact percentage reduction to avoid a lengthy data collection period and burdensome paper trail collection process from the customer.

Motion:

Cleveland moves that the Committee recommend to the Board an endorsement of a legislative change on the energy efficiency threshold in the form of a more effective measure.
2nd by Brumberg
All in favor; motion carries.

Discussion on Slides 21 and 22 from the July 21st presentation by CESA. As for a potential Pilot location in Wise County: for the record, Powell Valley Electric Cooperative does not participate in Virginia net

metering. §56-594 does not apply to PVEC. However, PVEC only serves 9 customer meters in this locality. In essence, the Pilot proposal should strike PVEC from Wise County for participant eligibility.

On the 2022 legislative session budget request.

Motion:

Cleveland moves that Chair Brumberg express the Committee's support of budget amendments for this body of work, to share with Virginia Energy and the Governor's office
2nd by Reisinger
All in favor; motion carries.

The committee addressed some questions around new construction projects and other DHCD approved energy efficiency professionals. Agency staff will check on the proposed legislative language submitted for consideration by the Governor's office; Staff recall this amendment is also in the proposed language for the 2022 legislative session, should the Governor's office adopt this policy proposal as an Administrative priority.

Regarding previous research and assumptions on cost figures and project economics, the previously submitted CESA / NC CTC report and data will be circulated to new board members for full review.

10 minute break

Public comment period 1:25pm
No public comment

Next Committee Meeting:

November 9th 12pm – 3pm
Location TBA (either Charlottesville DMME or VMD-AEC training center location)