

City of San Diego
Sustainable Energy Advisory Board (SEAB)
April 13, 2017
Meeting No. 130

MINUTES

MEMBERS PRESENT:

Tom Brill – SDG&E	Douglas Kot (Vice Chair) – Building Industry
Julia Brown (Interim-Chair) – At Large Member	Andrew McKercher – Labor Organization
John Bumgarner (Chair) – Solar Industry	Jay Powell – Environmental Advocate
Hanna Grene - CSE (Regional Energy)	Eddie Price – At Large Member Alternate #1
Sean Karafin – At Large Member	

MEMBERS ABSENT:

Jason Anderson – Business Community
Eric Scheidlinger – At Large Alternate #2

I. Call to Order

John Bumgarner called the meeting to order at 10:02 A.M.

II. Introductions

New staff member introduced – Michael Salyer. Introduced to Board by Aaron Lu.

III. Approval of Agenda and Adoption of the Minutes [Action]

John Bumgarner opened discussion to move forward with minutes from meeting #129 and agenda of meeting #130.

Jay Powell moved to accept the minutes as distributed; seconded by Andrew McKercher. Motion passed unanimously 5-3-0, Doug Kot, Hanna Grene, and Julia Brown abstained.

IV. Announcements

Aaron Lu announced that Julia Brown was appointed as Chair of the Board from Mayor's office. John Bumgarner will step down as Chair and has decided to resign from Board after this meeting. Chairman Bumgarner and newly appointed Chair Brown agreed that John Bumgarner would chair this meeting.

V. Non-Agenda Public Comment – Public introductions. No non-agenda public comment.

VI. CAP Update

Cody Hooven stated that business was as usual and nothing major to report on. All initiatives are moving forward. Feasibility study moving along. Applied for Volkswagen funding from settlement agreement. Very little State funding, compared to other regions within the State. Talking to CARB and other foundations for funding options. Working on Municipal Greenhouse Gas Emissions update (separate from citywide emissions survey.)

Tom Brill asked about any information regarding budget cuts. Julia Brown asked about when the study was published and the number of jobs affected (10.2% up within industry since 2010). Cody responded to questions about the budget and the job growth within the industry to each member. She also addressed the way in which the Mayor and Council may be informed of budgetary items, with a

basis for traditional methods, namely – email, with the Mayor as the primary addressee and Council Members as CC addressees. John Bumgarner commented about his hesitation to sign the recommendation letter regarding budget issues related to continuing funding for energy related items in the Climate Action Plan (CAP) that he had drafted with Board direction and input from the working group he had appointed, due to the appointment of a new Chairperson. New Chair will confer with working group members and send recommendation letter to the Mayor and City Council with the attachment of the recommendations on the Municipal Energy Strategy adopted by the Board.

VII. Working Group Update

Doug Kot discussed the Energy Conservation Ordinance. Policy recommendations in development. Regarding the Climate Action Plan (CAP) there were benchmarking initiatives in play for the work plan. Need to identify what level of stringency that would exceed the State’s energy benchmarking as it relates to this policy that the City has expressed interest in. What is an appropriate threshold for meeting the benchmarking levels? Recommendation on benchmarking policy would be based on a floor area of the square footage of a building. Typically 50,000 square feet or larger. Effort to get to 80% threshold of buildings within area of responsibility. Tom Brill asked if the cost of energy was a relevant factor to the benchmarking policy. Doug Kot said that he used a relatively conservative approach (\$500 direct costs from building owner) when deciding cost of data mining activity to find data and energy use rates of building.

Assembly Bill 802 was followed when setting benchmarking measures. Hanna Grene gave additional details regarding Portfolio Manager, the industry standard data tool to for energy and water benchmarking and measurement. Explanation of the “Prius effect” provided with idea that users would adjust consumption behavior based on actual visible results the user could see. Sean Karafin questioned State policy versus City policy. Hanna Grene provided answers of the differences between and intended alignment of the State requirements and the local municipal requirements. Julia Brown expressed her reservation to accept the threshold of 20,000 square feet. (Economic return diminishes on smaller buildings. Data quality gets less as you go to smaller buildings.) Hanna Grene discussed that phasing from the 50,000 square foot benchmark to a lower number, be it 30,000 or 20,000 square foot is a part of the plan that includes continuity and training to future staff involved in the implementation of that initiative.

Eddie Price voiced a concern about what buildings or building types might be included or excluded from the initiative. Aaron Lu discussed the Portfolio Manager tool as it is being employed for municipal facilities. He explained the current process of how a customer of a utility must set up an account and enter energy and utility data using downloadable spreadsheets or mailed bills. He then explained the Portfolio Manager data automation tool that is currently under development for essentially live use data.

Tom Brill brought up the concern of customer data privacy and the legal issues surround the topic. Hanna Grene provided more details on the customer protections outlined in the state AB 802 legislation. Jay Powell expressed concerns that the issue of privacy was being discussed in detail without hearing the rest of the working group recommendations and he suggested putting items of concern together in a list to address after all the recommendations were presented. Jack Clark spoke up to express that the City has the intention to follow the policy of the State and the guidelines that are already in place. Tom Brill stated his concern that private data/ private buildings (and their accounts),

if produced to a governmental entity, could be subject to the Public Records Release Act, which could result in their public release. It was reinforced that ONLY public and municipal buildings and data as it pertains to energy consumption and use would be subject to public records act requests.

Motion to accept the working group recommendation and recommend the City staff shall follow a phased approach for policy implementation based on State data privacy restrictions and with community outreach to affected stakeholders made by Eddie Price, seconded by Jay Powell, voted on and approved unanimously by Board.

Recommendation will go forth via Jack Clark pending receipt of revised updated draft from working group chair Doug Kot.

VIII. Legislative, Regulatory and City Update & Conflicts of Interest – Fritz Ortlieb

Jay Powell stated that Mayor is expected to release revisions to his budget in May with Council to adopt in June. He strongly encouraged the Chair of the SEAB Board to get a the letter drafted by Chairman at Board request making SEAB budget recommendations that attach the Municipal Energy Strategy recommendations out to the Mayor and Council as soon as possible, this week if possible. Board requests a copy of letter once it is sent.

Jay Powell also mentioned an item that was presented to the City Audit committee regarding streetlights and the results of a report by the City Auditor pertaining to payments by City for gas and electric utilities. He attended and stated that the SEA Board was sending a letter to the Mayor and City Council regarding recommendations on the City budget and municipal energy strategy items for consideration in investments that the City could make to lower utility bills.

Jack Clark provided more information on the Audit Committee item and mentioned an audit that began roughly 5 weeks after he began with City that found discrepancies in City's street light inventory and billing issues for those lights. Approximately 3700 lights were found to be billed that were non-existent. After evaluation, it was determined that only 252 individual street lights where to be accounted for that actually existed. (Approximately 0.4% of total inventory of over 60,000 City owned streetlights.) This percentage of discrepancy is quite low compared to the national average percentage of inventory discrepancy for municipal street light inventories of 7-10%. It was confirmed that this number (252) is a NET number after the newly installed streetlights have been added to the non-existent streetlight number.

Fritz Ortlieb, Deputy City Attorney, spoke about Schedule LS2 (the old streetlights that were unmetered). He explained how the new metered lights will monitor use, times on/off, and wattage. Initiatives in places to move all City street lights to so called "smart lights" with metering tools in place to measure rates, use, and more accurate energy consumption. This is a concurrent effort with SDG&E. Jack Clark mentioned that this attempt to retrofit existing streetlights was "trailblazing" – in effect the first of its kind in the country to individually meter and monitor energy consumption per light. Jack Clark stated it might be a good idea to present this information to the City Council.

Aaron Lu provided information on the City's application for a California Energy Commission (CEC) grant and its approval from the State of California, one of only four jurisdictions that were awarded part of a \$10.2 million grant. He described what the "Outdoor Smart" city concept was about and how

steps were in place to integrate a similar indoor smart city concept. The use of the grant will be to start a pilot to consolidate the ways to manage energy in the City. He explained the 3-step process including:

Step 1: Dashboard release.

Step 2: The retrofitting of analog controls to digital controls within downtown City buildings, including CAB and the Central Library (a total of 5 City facilities). However, ASBESTOS is a major concern for the retrofitting activity.

Step 3: Public outreach and education about the consolidated energy management program.

Solar Deployment at City municipal facilities overview presentation given by James Chen, ESD, Energy Division staff. All projects to be completed by end of this year (2017). ONIX (a partner with Sun Edison) is the developer. Questions regarding electric vehicle charging stations brought up by Board members. 19 new EV charging stations to be implemented within this project.

Jack Clark explained potential for battery storage at these sites would be evaluated (RFSQ) and statement of qualifications. ONIX is to be the financial backing of the project. Eddie Price asked if work would be localized or if training opportunities would be available. Hiring incentives will be made to source employees with necessary skillsets.

IX. Suggested Guests/Presentations/Tours for Upcoming Meetings

Municipal code update given by Aaron Lu. Discussion of the issue of the required annual reporting to Environment Committee of the City Council. The last report was provided in November 2015. No new timetable given.

Motion by Jay Powell to communicate the Board's previous meetings information to the Mayor and City Council by the Chair via formal letter. Seconded by Doug Kot. 6 in favor, 1 abstain, 2 opposed. Motion passed.

Tom Brill asked that the minutes reflect his observation that the discussion of the merits of the motion were discussed after the vote. There was no motion for reconsideration and it was noted that the topic of Municipal Code update recommendations adopted by the Board two years earlier has been previously discussed at many other prior Board meetings, taking up entire meetings at length, so the members decided to continue forward with the vote and pass the motion. No member reconsidered his or her vote. Motion remains in effect.

X. Membership Discussion

Aaron Lu reported that staff was informed by the Mayor's office that members whose terms have expired would remain on Board until notified by Mayor's office, unless a member decides to resign. Appointments are automatic holdovers, unless resigned. John Bumgarner indicated his intention to resign after today's meeting. The total service period is limited to eight years.

XI. New Business

Discussion about the SEAB work plan. Sean Karafin stated that the Board has wasted too much time on something that he felt just is not working. It was expressed that the format for the current work

plan set forth by the working group last year and adopted by the Board was very useful. July period was set for establishing a work plan and work group process. First agenda item of next meeting to be devoted to work plan discussion. Board members were asked to submit suggestions for staff to collate and provide as background for the discussion prior to the next Board meeting.

Board thanked John Bumgarner for his service to the Board and for his many years of leadership.

Adjourn: John Bumgarner adjourned the meeting at 12:02 P.M.

Note: An audio recording of this meeting is available upon request.