

Minutes

**Virginia Solar Energy Development and Energy Storage Authority
Thursday, May 31, 2018 at 9:00 A.M.
Department of Environmental Quality
1111 Main St. Richmond, VA 23219**

Call to Order

Chairman Cliona Robb called the meeting to order at 9:15 a.m. EDT.

The Chair let the members know that two different schedules for the meeting were sent out, one indicating an ending time of noon and another of 1:00 p.m. She asked whether members could stay until 1:00 to allow sufficient time to develop a work plan. One member could not stay past noon, which would mean the loss of a quorum. Staff indicated they could continue to work but just could not vote on anything. Members and staff then introduced themselves and welcomed guests.

Members Present: Colleen Lueken, Ryan Dunn, Cliona Robb, Will Gaithright, Barrett Hardiman, Jon Hillis, Ken Hutcheson, Andrew Lamar, Brian Gordon

Members Absent: Katharine Bond, Jack Rust, Sylvain Marsillac, Cody Nystrom, Hayes Framme

VSEDA Staff Present: John Warren, Al Christopher, Ken Jurman, Will Payne, Paul Kugelman

Approval of Minutes from November 27, 2017, January 8, 2018 and April 3, 2018 Meetings

After review of the minutes from the three previous meetings, proper motions were made to approve the minutes from these meetings and they were approved unanimously.

Status of the Authority Website

Will Payne (DMME) explained that because of the release of a Request for Proposals related to offshore wind power supply chain development, his priority had temporarily shifted to developing a website and social media platforms to highlight and support Virginia offshore wind power activities. He anticipates this work will be complete in July, at which time his priority will shift back to the Authority's website.

Paul Kugelman, Council to the Authority, gave a broad overview on the Authority's ability to collect, hold and expend funds. Mr. Kugelman indicated that it would be very difficult to delineate this in any specificity, but finally advised the group that should any sort of grant federal loan, or other type of funds be made available, or if the group wished to undertake a specific project, he would work with the Authority at that time to advise the group regarding how to proceed.

Election of Vice Chair

Ms. Robb addressed the role, activities and time commitment of a Vice Chair and asked for volunteers. Mr. Gaithright volunteered, a motion was made, and he was unanimously approved.

Discussion of Energy Storage Study

It was announced that the day before the meeting the state budget was finally approved and included funding for the implementation of House Joint Resolution 101 calling for the Authority to undertake a two year energy storage study.

The group discussed what the focus of the study should be and it was generally agreed that it should include all market sectors. The question was raised as to whether the Authority should engage an outside consultant to help undertake the study.

Ms. Robb announced that the SCC had opened two dockets regarding the deployment of energy storage projects by Dominion Energy and Appalachian Power. She also noted several enactment clauses in Senate Bill 966, the Grid Transformation and Security Act, which tasked the SCC with developing guidelines for the administration of energy storage pilot programs, and questioned whether or how the SCC's work could or would influence the direction of the Authority's required energy storage study, and whether utility scale storage should not be included in the Authority's report.

Mr. Hillis asked whether the Authority had the authority to advise localities on how they should proceed with permitting in regards to energy storage, stating that as a solar developer, he's already land constrained should he later decide to add storage at his solar site. He would likely need additional land and would need to obtain a new special use permit with the county, and questioned whether the SCC has the knowledge to deal with these local issues.

Ms. Robb indicated that comments on both dockets are due to the SCC by June 19 and raised the suggestion of the Authority submitting comments alerting the SCC about the SJ 101 study, including developing some parameters about what the study would include and progress to date.

Mr. Warren recommended reaching out to other organizations that can provide some guidance and technical support. Some of these include, but are not limited to U.S. DOE, Rocky Mountain Institute, the Energy Storage Association, The National Renewable Energy Laboratory, and various state universities.

Angela Navarro, Deputy Secretary of Commerce and Trade, recommended reaching out to the National Governors Association which is addressing energy and storage issues and who may be a source of additional funding for the Authority's storage study.

The group discussed how to move forward, including plans for the timing on spending of appropriated funds, with Mr. Hardiman recommending the first year's funds be programmed by the beginning of the 2019 legislative session or that the report to the General Assembly due in November report on how the Authority intends to use the first year's funds.

The discussion turned to specific milestones, including reaching out to the aforementioned organizations in time for the June 19 SCC comment deadline to ascertain what types of support they can provide. Individuals then volunteered to reach out to select consultants and organizations:

- Energy Storage Association: Colleen Lueken and Ken Hutcheson
- George Mason University: John Warren
- James Madison University: Ken Jurman
- Solar Institute at George Washington University: Jon Hillis
- Rocky Mountain Institute: Colleen Lueken
- North Carolina Clean Energy Technology Center: Ken Jurman
- National Governors Association: Will Gaithright
- National Renewable Energy Laboratory: Jon Hillis
- State Corporation Commission: Cliona Robb
- Solar Energy Industries Association: Jon Hillis
- PJM Interconnection, LLC: Cliona Robb and Colleen Lueken
- Attorney General Division of Consumer Council: Cliona Robb
- Dominion Energy: Katharine Bond
- Appalachian Power: Cliona Robb
- Old Dominion Electric Cooperative: Jon Hillis
- Sierra Club: Cliona Robb
- Southern Environmental Law Center: Cliona Robb
- Virginia Conservation Network: Ken Hutcheson

It was decided that to maintain a consistent message when approaching possible organizations to solicit support, the Authority would develop a Request for Information that would be used for talking points when approaching the above organizations and which could later be turned into a Request for Proposals for contractor support. Ms. Robb will work with staff to develop this before the June 19 comment deadline to the SCC:

- A draft RFI will be circulated to members for comment by June 7
- Member comments submitted to staff by June 11
- Outreach to aforementioned organizations beginning early the week of June 11
- Outreach reports due back to staff by 10:00 a.m. on June 15
- Cliona Robb/Colleen Lueken to write up SCC comments including input received by June 15
- Draft comments distributed to other members by Saturday June 16

A question was raised regarding reaching out to PJM along with the above organizations, as PJM should be considered a stakeholder, along with others, e.g. Virginia Utilities, the SCC, etc., versus the other groups who would serve as consultants. Ms. Robb clarified that there would be two outreach paths: one to see who could serve as consultants, and another to inform other parties who are, per HJ 101, to be engaged like the SCC, utilities, and others.

Work Plan Development

Ms. Robb pointed out that the draft work plan begun at previous meetings was based on much less defined tasks and that the energy storage study provides a much more defined activity for the Authority, and that the work plan should focus on implementation of the study, beginning

with development of the RFI, then outreach to interested parties, providing comments to the SCC on the two pilot storage program dockets, and then take stock of where to go next.

Mr. Hillis pointed out that while the storage study is important, there was also the issue of the 50 megawatts of utility distributed solar installations between 50 kilowatts and 2 megawatts declared to be in the public interest in SB 966 and what role the Authority could play in advising the utilities in how to implement this. Mr. Hillis felt that utility scale solar in Virginia was developing just fine on its own, but that help was needed in the area of smaller distributed solar generation. He volunteered to develop a separate work plan specific to this, and indicated it would be nice to know what the utilities' plans were in regard to a planned July filing with the SCC by Dominion involving the deployment of smaller 50 kW to 2 MW systems. Mr. Hillis said he would reach out to Dominion and Ms. Robb would contact Appalachian Power. Any details received from the utilities on their plans could then be used to develop comments to the SCC in July. If no information is received the Authority could develop recommendations not based on the utilities' plans in time for the required Annual Report.

Discussion of the Annual Report

The group turned to a brief discussion of the Annual Report, including the timing of the report, the content of the report, and whether the format of the report was still appropriate. The group generally concurred that it was.

Discussion of Website Content

The group discussed what content they would like on the Authority's website, including:

- Schedule of meetings and related materials
- The planned RFI
- Activities related to small solar development
- Workforce development activities and information
- Annual Reports
- Solar and storage resources

Ken Hutcheson volunteered to serve as liaison between the Authority and Will Payne, who will manage and update the website.

Public Access and Engagement

Generally, the website would serve as a primary resource for engaging with those on the outside seeking information on solar and storage, but that the information flow should be from the Authority out, general consensus being that allowing the public to submit comments, questions, etc. could be time consuming and could trigger FOIA issues.

The discussion turned again to the possible problem related to deployment of energy storage and the type of support the Authority could provide to localities to avoid some of the problems that localities had regarding permitting of solar. It was generally agreed that the Authority should not try to tell localities what to do, but to consider researching and sharing best practices for storage siting and permitting.

The discussion turned to final items for the work plan not already addressed. While financial mechanisms and partnerships is a goal in the draft work plan, because of the anticipated work load to implement the storage study, it was decided that this item would be put on hold until a future date.

A question was raised on membership vacancies. Angela Navarro indicated there were three positions slated to be filled or reappointed. Current members whose terms expire on June 30, 2018 include Sylvain Marsillac and Cody Nystrom (Governor picks), Jack Rust (House pick), and Ken Hutcheson (Senate pick).

Angela Navarro then addressed the Authority and discussed the stakeholder process for the update of the Virginia Energy Plan (VEP), which is due on October 1, 2018. DMME will be coordinating the stakeholder and outreach process. She indicated the VEP stakeholder process will be coordinating closely with the Authority, and that the solar activities in SB 966 and the VEP will likely be “synergized” into one stakeholder engagement, which they hope to kick off by late June. She will report back to the Authority in the near future, and invited Authority members to be part of that stakeholder process. Their goal is to develop specific policy proposals to address four topics called out in SB 966: Net metering, community solar, corporate procurement, and local siting issues and barriers. Regarding this last issue, John Warren said the Authority could probably stay away from addressing siting for solar as the VEP/SB 966 group will take that on.

PUBLIC COMMENTS

There were no public comments

ADJOURNMENT

The meeting adjourned at 11:30 a.m. EDT.