

**Department of Energy and Environment
Clean and Affordable Energy Act of 2008
and
Renewable Energy Portfolio Standard Act of 2004
Quarterly Report
October 1, 2016 – December 31, 2016**

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INTRODUCTION

The Department of Energy and Environment's ("DOEE") Clean and Affordable Energy Act ("CAEA") and Renewable Energy Portfolio Standard Act of 2004 ("REPS") Quarterly Report to the Council of the District of Columbia ("Council") covers the period from October 1, 2016 – December 31, 2016. This report: 1) describes significant program status; 2) provides timelines and milestones to track the progress and success of each program; 3) offers highlights of ward specific data; and 4) presents the status of administrative and programmatic expenditures.

BACKGROUND

In 2008, the Council enacted D.C. Law 17-250, the Clean and Affordable Energy Act of 2008 ("CAEA," D.C. Code §8-1773.01 *et seq.*), which established the Sustainable Energy Trust Fund (SETF), D.C. Official Code §8-1774.10 and the Energy Assistance Trust Fund (EATF), D.C. Code § 8-1774.11; the SETF and EATF are non-lapsing funds, which are funded by assessments on the natural gas and electric companies. The EATF is authorized to collect \$2.33 million annually through an assessment on the sales of the electric and natural gas utility companies.

Section 8 of the REPS, the Renewable Energy Development Fund ("REDF"), was established for the purpose of funding eligible solar projects in the District with compliance fees paid by electricity suppliers under the District's Renewable Energy Portfolio Standard. Section 8(c) of the REPS requires that the REDF be used to promote solar energy in the District.

This quarterly report is required by the CAEA and the REPS. The following program under the CAEA is currently being administered by DOEE:

Energy Assistance Trust Fund

D1, LIHEAP Expansion and Energy Education

Provides additional funding for low income customers to be used in concert with the federal Low Income Home Energy Assistance Program (LIHEAP).

Sustainable Energy Trust Fund

DOEE has contracted with Vermont Energy Investment Corporation, the prime contractor of the Sustainable Energy Partnership, which consists of a team of local partners, to provide programs and initiatives as the District of Columbia Sustainable Energy Utility (“DCSEU”). The DCSEU implements programs in the District to reduce energy consumption, increase the number of green collar jobs in the District, stimulate the local economy through contract spending with District businesses, increase renewable energy generating capacity, and improve energy efficiency and increase the renewable energy generating capacity of low-income housing, shelters, clinics, or other buildings serving low-income residents. The DCSEU is funded by the SETF. DOEE is appropriated an amount equivalent to ten percent of the DCSEU contract value for administering the contract, and the financial attachments at the end of this report reflect this activity.

The DCSEU submits quarterly reports to DOEE, and DOEE files these reports with the Council on behalf of the DCSEU. These reports include programs funded by SETF. Both reports can be found on DOEE’s website.

Renewable Energy Development Fund

Administrative funds from the REDF were used this quarter, and DOEE plans to include program expenditures in the second quarter.

CAEA & REPS BUDGET AND EXPENDITURES

This report includes the following financial attachments:

Attachment 1 – SETF & EATF Revenue Collections

Attachment 2 – SETF & EATF All Financial Activity

Attachment 3 – SETF & EATF Administrative Budget and Expenditures

Attachment 4 – SETF & EATF Expenditures by Month

Attachment 5 – REDF Revenue Collections

Attachment 6 – REDF All Financial Activity

Attachment 7 – REDF Administrative Budget and Expenditures

Attachment 8 – REDF Expenditures by Month

Energy Assistance Trust Fund

Program Name:	LIHEAP Expansion and Energy Education
Program Number:	D1
Reporting Period:	October 1, 2016 – December 31, 2016

Program Description

The Low-Income Home Energy Assistance Program (“LIHEAP”) Expansion and Energy Education Program provides additional funding for low income customers to be used in concert with federal LIHEAP funding. Households that would otherwise not be served as a result of limited federal LIHEAP funding are granted benefits through this program.

Program Status

- Program is falling short of expectations
- Program is on Target
- Program is exceeding expectations

Low-Income Home Energy Assistance Program Background

The Department of Energy and Environment (DOEE) administers LIHEAP, which assists low-income households in the District, particularly those with the lowest incomes that pay a high proportion of household income for home energy, primarily in meeting their immediate home heating and cooling needs. LIHEAP benefits are provided for households using electric, natural gas, or home heating oil. DOEE provides energy assistance benefit payments to income qualified households by providing a direct credit, on behalf of the customer, to the respective utility company that provides service to the household.

LIHEAP is funded by three sources – US Department of Health and Human Services (US HHS), District General Funds and the Energy Assistance Trust Fund (EATF), a special purpose revenue

fund. DOEE applies for an annual formula grant from US HHS through a State Plan, which is submitted by September 1 each year.

Program Accomplishments

Energy assistance benefits are determined through a benefit matrix that is approved by the US HHS. DOEE provides two types of benefits: Regular energy assistance benefits and Emergency energy assistance benefits. The Regular benefit is a one-time benefit the household may receive each year, and is calculated based on four factors: household size, total household income, heating source, and type of dwelling. Regular energy assistance benefits range from \$250 to \$1,500 and the average benefit payment per household is \$500-\$600. The Emergency benefit is available to low-income District residents who have received a disconnection notice for electric or gas service, or are already disconnected. Households that are out of home heating oil are also eligible to receive an Emergency benefit. The total number of LIHEAP benefits provided to District households this quarter from all funding sources, including EATF, was 9,826 (See Table 1).

Table 1: LIHEAP Benefit Payments by Ward

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Total
Current Quarter	807	120	36	670	1,846	908	2,403	3,036	9,826
Cumulative Quarter	807	120	36	670	1,846	908	2,403	3,036	9,826

Table 2: LIHEAP Benefit Payments Quarter 1 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 1: October 1, 2016 – December 31, 2016		
September 2016	December 2016	December 2016

Next Quarter's Projected Goals

Table 3: LIHEAP Benefit Payments Quarter 2 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 2: January 1, 2017 – March 31, 2017		
Serve additional eligible District households	March 2017	

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**ATTACHMENT 1
SETF EATF REVENUE COLLECTIONS
OCTOBER 1, 2016 - DECEMBER 31, 2016**

Sustainable Energy Trust Fund (SETF)				Energy Assistance Trust Fund (EATF)			
Deposit Date	Source of Funds	Amount	Total Received to date	Deposit Date	Source of Funds	Amount	Total Received to date
11/21/2016	WASH GAS	146,846.27	146,846.27	11/21/2016	WASH GAS	53,539.06	53,539.06
11/21/2016	PEPCO	1,344,661.87	1,491,508.14	11/21/2016	PEPCO	54,401.05	107,940.11
12/1/2016	PJM	136,041.21	1,627,549.35	12/19/2016	WASH GAS	83,058.89	190,999.00
12/19/2016	WASH GAS	227,888.32	1,855,437.67	12/20/2016	PEPCO	50,352.89	241,351.89
12/20/2016	PEPCO	1,244,506.30	3,099,943.97				
1st Quarter subtotal		3,099,943.97		1st Quarter subtotal		241,351.89	
Total through 1st Qtr:		3,099,943.97		Total through 1st Qtr:		241,351.89	

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**ATTACHMENT 2
SETF AND EATF ALL FINANCIAL ACTIVITY
AS OF 12/31/2016**

Agy Fund	Project No	Project Title	GAAP Category Title	Budget	Expenditures	Intra-District Advance	Purchase Order Balance	Requisition Balance	YTD Expenditures and Obligations	Available Balance
6700	ABOARD	SETF & EATF ADVISORY BOARD	NON-PERSONNEL SERVICES	26,000	-	-	-	-	-	26,000
	ABOARD Total			26,000	-	-	-	-	-	26,000
	ADMSEU	SEU CONTRACT ADMINISTRATION	PERSONNEL SERVICES	1,604,601	189,486	-	-	-	189,486	1,415,116
			NON-PERSONNEL SERVICES	355,949	(1,973)	4,362	7,361	-	9,750	346,199
	ADMSEU Total			1,960,551	187,513	4,362	7,361	-	199,236	1,761,315
	NOPROJ	NO PROJECT INFORMATION	PERSONNEL SERVICES	-	723	-	-	-	723	(723)
			NON-PERSONNEL SERVICES	1,211,000	1,206,019	-	-	-	1,206,019	4,981
	NOPROJ Total			1,211,000	1,206,742	-	-	-	1,206,742	4,258
	SEUCTR	SEU CONTRACT	NON-PERSONNEL SERVICES	18,400,000	479,594	-	17,920,406	-	18,400,000	-
	SEUCTR Total			18,400,000	479,594	-	17,920,406	-	18,400,000	-
	SEUEMV	SEU CONTRACT EM&V	PERSONNEL SERVICES	-	765	-	-	-	765	(765)
			NON-PERSONNEL SERVICES	1,600,000	-	-	1,600,000	-	1,600,000	-
	SEUEMV Total			1,600,000	765	-	1,600,000	-	1,600,765	(765)
	SEURVW	SEU INDEPENDENT REVIEW OF PERFORMANCE	NON-PERSONNEL SERVICES	100,000	-	-	31,910	-	31,910	68,090
	SEURVW Total			100,000	-	-	31,910	-	31,910	68,090
6700 Total				23,297,551	1,874,614	4,362	19,559,677	-	21,438,652	1,858,898
6800	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	180,424	35,013	-	-	-	35,013	145,411
			NON-PERSONNEL SERVICES	123,831	31,009	-	32,694	26,536	90,239	33,592
	ADMEA9 Total			304,254	66,022	-	32,694	26,536	125,252	179,002
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	PERSONNEL SERVICES	427,592	106,723	-	-	-	106,723	320,869
			NON-PERSONNEL SERVICES	1,446,169	541,190	-	-	-	541,190	904,979
	LID109 Total			1,873,762	647,913	-	-	-	647,913	1,225,849
	LID209	RAD EXPANSION	PERSONNEL SERVICES	99,854	19,164	-	-	-	19,164	80,690
			NON-PERSONNEL SERVICES	3,895	-	-	-	-	-	3,895
	LID209 Total			103,749	19,164	-	-	-	19,164	84,585
	LIG109	RES EXPANSION	PERSONNEL SERVICES	31,131	1,085	-	-	-	1,085	30,045
	LIG109 Total			31,131	1,085	-	-	-	1,085	30,045
6800 Total				2,312,896	734,184	-	32,694	26,536	793,415	1,519,481
Grand Total				25,610,446	2,608,798	4,362	19,592,371	26,536	22,232,067	3,378,380

**ATTACHMENT 3
SETF AND EATF Administrative Budget and Expenditures
1st Quarter - as of December 31, 2016**

Fund	Project No	Project Title	PS/NPS Category	Budget	QUARTERLY ACTUAL EXPENDITURES				Total Year-to-Date Actual Expenditures
					Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
6700	ADMSEU	SEU CONTRACT ADMINISTRATION	PERSONNEL SERVICES	1,604,601	189,486				189,486
			NON-PERSONNEL SERVICES	38,500	3,913				3,913
	ADMSEU Total			1,643,101	193,399	-	-	-	193,399
	NOPROJ	NO PROJECT INFORMATION	PERSONNEL SERVICES	-	723				723
	NOPROJ Total			-	723	-	-	-	723
	SEUEMV	SEU CONTRACT EM&V	PERSONNEL SERVICES	-	765				765
	SEUEMV Total			-	765	-	-	-	765
6700 Total			1,643,101	194,887	-	-	-	194,887	
6800	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	180,424	35,013				35,013
			NON-PERSONNEL SERVICES	10,000	20				20
	ADMEA9 Total			190,424	35,032	-	-	-	35,032
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	PERSONNEL SERVICES	427,592	106,723				106,723
	LID109 Total			427,592	106,723	-	-	-	106,723
	LID209	RAD EXPANSION	PERSONNEL SERVICES	99,854	19,164				19,164
			NON-PERSONNEL SERVICES	3,895	-				-
LID209 Total			103,749	19,164	-	-	-	19,164	
LIG109	RES EXPANSION	PERSONNEL SERVICES	31,131	1,085				1,085	
LIG109 Total			31,131	1,085	-	-	-	1,085	
6800 Total			752,896	162,005	-	-	-	162,005	
Grand Total			2,395,997	356,892	-	-	-	356,892	

**ATTACHMENT 4
SETF AND EATF EXPENDITURES BY MONTH
1ST QUARTER- AS OF DECEMBER 31, 2016**

Agency Fund	Project Number	Project Title	BUDGET	Actual Expenditures			Total Expenditure
				October	November	December	
6700	ABOARD	SETF & EATF ADVISORY BOARD	26,000	-			-
	ADMSEU	SEU CONTRACT ADMINISTRATION	1,960,551	62,258	55,324	69,930	187,513
	NOPROJ	NO PROJECT INFORMATION	1,211,000	282	853,476	352,984	1,206,742
	SEUCTR	SEU CONTRACT	18,400,000	(845,651)	608,979	716,266	479,594
	SEUEMV	SEU CONTRACT EM&V	1,600,000	345	-	420	765
	SEURVW	SEU INDEPENDENT REVIEW OF PERFORMANCE	100,000	-	-	-	-
6700 Total			23,297,551	(782,766)	1,517,779	1,139,601	1,874,614
6800	ADMEA9	EATF ADMINISTRATION	304,254	12,900	25,312	27,810	66,022
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	1,873,762	33,379	32,967	581,567	647,913
	LID209	RAD EXPANSION	103,749	4,754	4,508	9,902	19,164
	LIG109	RES EXPANSION	31,131	783	(114)	417	1,085
6800 Total			2,312,896	51,816	62,672	619,696	734,184
Grand Total			25,610,446	(730,951)	1,580,452	1,759,297	2,608,798

**The negative expenditures in projects SEUCTR & LIG109 are due to FY16 accrual reversals.*

**ATTACHMENT 1
REDF REVENUE COLLECTIONS
OCTOBER 1, 2016 - DECEMBER 31, 2016**

Renewable Energy Development Fund (REDF)			
Deposit Date	Source of Funds	Amount	Total Received to date
11/10/2016		9,999	9,999
12/6/2016		9,999	19,998
1st Quarter subtotal		19,998	
Total through 1st Qtr:		19,998	

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**ATTACHMENT 6
REDF ALL FINANCIAL ACTIVITY
AS OF 12/31/2016**

Agy Fund	Project No	Project Title	GAAP Category Title	Budget	Expenditures	Intra-District Advance	Purchase Order Balance	Requisition Balance	YTD Expenditures and Obligations	Available Balance
REDF (662)*	NOPROJ	NO PROJECT INFORMATION	PERSONNEL SERVICES	1,249,892	201,767	-	-	-	201,767	1,048,125
			NON-PERSONNEL SERVICES	22,097,790	(317,733)	3,450,111	371,356	-	3,503,733	18,594,057
662 Total				23,347,682	(115,966)	3,450,111	371,356	-	3,705,501	19,642,181

** For fund 0662, the negative expenditure represents accrual from prior fiscal year.*

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ATTACHMENT 7
REDF Administrative Budget and Expenditures
1st Quarter - as of December 31, 2016

Fund	Project No	Project Title	PS/NPS Category	Budget	QUARTERLY ACTUAL EXPENDITURES				Total Year-to-Date Actual Expenditures
					Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
662	NA	NA	PERSONNEL SERVICES	1,249,892	201,767	-	-	-	201,767
	NA	NA	NON-PERSONNEL SERVICES	50,000	-	-	-	-	-
REDF Total				1,299,892	201,767	-	-	-	201,767

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**ATTACHMENT 4
EXPENDITURES BY MONTH
1ST QUARTER- AS OF DECEMBER 31, 2016**

Agency Fund	Project Number	Project Title	BUDGET	Actual Expenditures			Total Expenditure
				October	November	December	
0662*	NA	NA	23,347,682	(255,005)	68,211	70,829	(115,966)
REDF Total			23,347,682	(255,005)	68,211	70,829	(115,966)

* For fund 0662, the negative expenditure represents accrual from prior fiscal year.

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