

GOVERNMENT OF THE DISTRICT OF COLUMBIA
District Department of the Environment



October 11, 2013

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue NW, Suite 504
Washington, DC 20004

RE: Clean and Affordable Energy Act of 2008, D.C. Law 17-250

Dear Chairman Mendelson:

Pursuant to sections 210(e) and 211(e) of the Clean and Affordable Energy Act of 2008, D.C. Law 17-250, effective October 2008, I am pleased to submit the District Department of the Environment's (DDOE) Third Quarterly Report for the April 1, 2013 – June 30, 2013 quarter. This report describes the performance of Sustainable Energy Trust Fund and Energy Assistance Trust Fund programs and expenditures during the quarter ending June 30, 2013. This document reflects DDOE's continuing commitment to making the District more energy efficient and improving the quality of the environment.

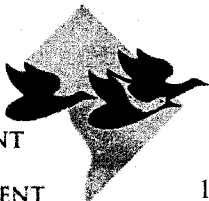
Please feel free to contact me or Dr. Taresa Lawrence at 202-671-3313 if you have any questions regarding this report.

Sincerely,

Keith A. Anderson
Director

Attachments

cc: Councilmember Mary Cheh, Chairperson, Committee on the Environment, Public Works, and Transportation
DC Councilmembers
Nyasha Smith, Secretary of the Council



District Department of the Environment
Clean and Affordable Energy Act Quarterly Report
April 1, 2013 – June 30, 2013

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Attachment 2 - All Financial Activity

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INTRODUCTION

The District Department of the Environment's ("DDOE") Clean and Affordable Energy Act ("CAEA") Quarterly Report to the Council of the District of Columbia ("Council") covers the period from April 1, 2013 – June 30, 2013. 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

The Retail Electric Competition and Consumer Protection Act of 1999 created the Reliable Energy Trust Fund ("RETF"), the purpose of which was to fund programs promoting energy efficiency and the use of electricity from renewable sources. In Commission Order No. 13475, Formal Case No. 945, the Public Service Commission of the District of Columbia ("Commission") designated DDOE (previously the DC Energy Office), as the authority to administer all the programs approved for funding from the RETF. Subsequently, the Commission authorized DDOE to implement 16 programs.

Additionally, in 2005 the Council passed the Omnibus Utility Emergency Amendment Act of 2005, which established the Natural Gas Trust Fund ("NGTF") to promote energy efficient gas programs and to provide assistance to low-income gas customers in the District. DDOE was designated as the administrator of all the programs.

This quarterly report is required by the "Clean and Affordable Energy Act of 2008," D.C. Law 17-250, effective October 22, 2008, which replaced the RETF and NGTF programs with the Sustainable Energy Trust Fund ("SETF") and the Energy Assistance Trust Fund ("EATF")

programs, funded by two new utility assessments. The following five programs are currently being administered by DDOE:

Sustainable Energy Trust Fund

1. R1, Renewable Energy Incentive Program

Provides financial incentives for and increases the awareness and the use of renewable energy generation technologies by District of Columbia residents, businesses, and institutions.

2. D4, Weatherization Plus

Provides energy audits, environmental hazard screenings, and financial incentives to help offset the cost of installing the audit recommended energy efficiency measures.

3. G2, Heating System Repair, Replacement, and Tune-Up Program

Performs energy audits and natural gas-fired heating system tune-ups, repairs, and replacements in low-income dwelling units

Energy Assistance Trust Fund

4. D1, LIHEAP Expansion and Energy Education

Provides additional funding for electric customers to be used in concert with the Federal Low Income Home Energy Assistance Program.

5. G1, Residential Essential Service Expansion and Awareness Program

Provides low-income gas customers greater affordability toward their total gas bills and aims to increase the participation rate by at least 30%.

DDOE has contracted with Vermont Energy Investment Corporation, the prime contractor of the Sustainable Energy Partnership (a team of local partners), to provide programs and initiatives as the District of Columbia Sustainable Energy Utility (“DC SEU”). The DC SEU conducts programs in the District to reduce per-capita 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, reduce the growth of peak electricity demand, improve the energy efficiency of low-income housing, and reduce the growth of energy demand of the District’s largest energy users. The DC SEU is funded by the SETF. DDOE is appropriated an amount equivalent to ten percent of the DC SEU contract value for administering the contract, and the financial attachments at the end of this report reflect this activity. The DC SEU submits quarterly reports to DDOE, and DDOE files these reports with the Council on behalf of the DC SEU. Both reports can be found on DDOE’s web site.

CAEA BUDGET AND EXPENDITURES

This report includes the following financial attachments:

- Attachment 1: Revenue Collections
- Attachment 2: Financial Activity as of the end of the quarter
- Attachment 3: Administrative Budget and Expenditures
- Attachment 4: Monthly Expenditures by Program

Sustainable Energy Trust Fund

Program Name:	Renewable Energy Incentive Program
Program Number:	R1
Reporting Period:	April 1, 2013 – June 30, 2013

Project Description

The District of Columbia Renewable Energy Incentive Program (REIP) increases the use and awareness of renewable energy generation technologies by District of Columbia residents, businesses, and institutions.

Program Status

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

During the third quarter, the staff completed review and revisions of the administrative documents, terms and conditions, and communications for increased and effective management of the program.

Photovoltaic

Two photovoltaic projects (equivalent to 7.3 kW) received an incentive payment during the third quarter. During the period, the program also received 279 new photovoltaic requests, augmenting the pipeline of requests for incentives. For the fiscal year, the program will support 174 unique projects across the District. This includes a subset of 32 projects qualified under the Renewable Energy Incentive Program for Residents - *Low-Income Option*. In total, these incentive recipients will expend the allocated budget by the end of September 2013.

Breakdown by property type (of 2 projects funded)

Residential: 2 Non-Profit: 0 Commercial: 0 Educational: 0

Table 1: Renewable Energy Incentive Program Projects Funded by Ward

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Total
Current Quarter	1	0	0	0	0	1	0	0	2
Cumulative Total	8	0	3	2	3	1	1	1	19

Table 2: Renewable Energy Incentive Program Deliverables

Program Deliverables	Quarter Achievement	Cumulative Achievement
Number of Rebates	2	2
Rebate Amounts Awarded	\$17,000.00	\$14,500.00
Residential installations	2	2
Non-profit, business and institutional installations, commercial, educational	0	0
Capacity of Projects Rebated (kW)	17.5	14.8
Kilowatt hours capacity awarded (kWh)	2,925	175,200
Energy Value (\$/kWh @ 13¢/kWh)	\$1,173.75	\$2,268.00
Projected Lifetime Energy (\$/kWh @ 13¢/kWh for 25 years)	\$29,343.75	\$441,000.00
Emissions Offset (Avoided)		
Carbon dioxide (pounds)	15,161.76	27,651.00
Nitrogen oxides (pounds)	1.15	2.08
Sulfur dioxide (pounds)	0.18	0.32

*13¢/kwh represents an approximate rate per kWh based on Pepco's Residential – Schedule R service schedule.

**Emissions coefficients are based on the US Average as stated in table 2.4 of Leonardo Academy Inc. white paper:

"Emission Factors and Energy Prices for Leonardo Academy's Cleaner and Greener® Program" April 2009.

Table 3: Renewable Energy Incentive Program Quarter 3 Timeline and Milestones

Milestone	Goal Date	Actual Date Accomplished
Quarter 3 - April 1, 2013 – June 30, 2013		
Qualify New Applicants for 2013	April 2013	April 2013
Complete Site Visits	Ongoing	Ongoing

Next Quarter's Projected Goals

In the upcoming quarter, REIP will complete application reviews and disburse incentives to qualified applicants.

Table 4: Renewable Energy Incentive Program Quarter 3 Timeline and Milestone

Milestone	Goal Date	Actual Date Accomplished
Quarter 4 - July 1, 2013 – September 30, 2013		
Qualify New Application Review	July 2013	
Complete Site Visits	September 2013	

Issues and Remedial Plan

N/A

Solar Thermal

There were two solar thermal incentive payments awarded to applicants during the third quarter. In addition, there were 17 requests for thermal incentives. For the fiscal year, the program will support 16 projects. These, combined with the supported photovoltaic projects, will expend the allocated budget by the end of September 2013.

Breakdown by property type

Residential: 2 Non-Profit: 0 Commercial: 0 Educational: 0

Table 5: Renewable Energy Incentive Program Projects Funded by Ward

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Total
Current Quarter	1	0	0	1	0	0	0	0	2
Cumulative Total	1	1	0	1	0	1	0	0	4