VINCENT C. GRAY
MAYOR

NOV 22

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

RE: Annual Report of the Sustainable Energy Utility Advisory Board

Dear Chairman Mendelson:

Pursuant to Section 204(g) of the Clean and Affordable Energy Act of 2008 (CAEA), D.C. Law 17-250, I hereby transmit the Sustainable Energy Utility Advisory Board's (Board) Annual Report (Report) on behalf of the Board. This report provides an independent assessment of the DC Sustainable Energy Utility's (SEU) performance in FY 2013, and offers recommendations to the District Department of the Environment (DDOE) and the Council of the District of Columbia (Council). This Report was approved by a quorum of the Board, and DDOE will provide its response to the Board at a subsequent Board meeting. DDOE will make this document available to the public on its website within 10 days of its submission to the Council, as required by the CAEA,

Please feel free to contact Keith Anderson, Chair, SEU Advisory Board at 202-535-2615 if you have any questions regarding this report.

Sincerely,

Vincent C. Gray

Attachments

Sustainable Energy Utility Advisory Board

FY 2013 Annual Report

November 15, 2013

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INTRODUCTION

The Sustainable Energy Utility

This annual report has been prepared by the District of Columbia's Sustainable Energy Utility ("SEU") Advisory Board ("the Board") as an independent assessment of the DC SEU's performance in FY 2013. The report provides a context for understanding the SEU's performance based upon discussion of key issues at Board meetings. The key issues that have been identified by the Board continue to receive the Board's attention with the objective of improving the SEU's performance. The value added by this report is the Board's historical awareness of the circumstances and context of important issues that affect the SEU's development. The Board's discussions about these issues are ongoing.

The SEU is a private contractor to the District of Columbia government whose primary purpose is to help District residents, businesses, and institutions save energy and money through energy efficiency and renewable energy programs. The SEU currently works to fulfill this purpose through both providing short-term, quick-start energy efficiency products to the public and coordinating long-term market transformation initiatives. The SEU functions as a direct service, one-stop source for DC residents for information on products and programs that will enable them to use energy more sustainably. The SEU also designs market-based programming utilizing economic drivers to influence the energy consumption decisions of a broad scope of District consumers.

The SEU was created by the Clean and Affordable Energy Act of 2008 ("CAEA" or the "statute") passed by the Council of the District of Columbia ("DC Council" or "Council") on July 15, 2008, and signed into law by the Mayor on August 4, 2008. The SEU is a project of the Sustainable Energy Partnership under contract with the District Department of the Environment (DDOE). During FY 2013, the Sustainable Energy Partnership has consisted of the following organizations:

Vermont Energy Investment Corporation
Partnership Lead

George L. Nichols & Associates

Groundswell

Institute for Market Transformation

L. S. Caldwell and Associates, Inc.

PEER Consultants

PES Group / Stateline Energy Associates

Skyline Innovations

The CAEA mandates that the SEU achieve a series of six minimum benchmarks: 1) reduce per-capita energy consumption in the District of Columbia; 2) increase renewable energy generating capacity in the District of Columbia; 3) reduce the growth of peak electricity demand in the District of Columbia; 4) improve the energy efficiency of low-income housing in the District of Columbia; 5) reduce the growth of the energy demand of the District of Columbia's largest energy users; and 6) increase the number of green-collar jobs in the District of Columbia. Additionally, the SEU contract requires that the SEU must fully expend its annual allocation from the Sustainable Energy Trust Fund; use Certified Business Enterprises for at least 50% of dollars that are spent using implementation contractors; and the expenditures on electric and natural gas efficiency programs must be in proportion to the revenues from each of the utility ratepayer sources as stipulated by the CAEA.

The CAEA requires that all SEU programs, excluding renewable energy initiatives, be evaluated based on the societal benefit test. The societal benefit test is an all-inclusive inquiry that reviews the total net benefit of energy programs to society, including all collateral impacts. Pursuant to the CAEA, District ratepayers pay a monthly utility assessment, through a surcharge on their utility bills, into the Sustainable Energy Trust Fund (SETF) which funds the SEU. The surcharge on electric and natural gas customers' monthly utility bills is calculated on a per-kilowatt hour and per-therm basis. The amount of the surcharge on each customer's bill varies based on the amount of electricity or gas used each month. As a ratepayer-funded entity, the SEU is unique among the District's energy efficiency and renewable energy programs. It is the only program in the District which depends upon utility ratepayer investment.

Annual expenditures for both natural gas–related programs and electricity-related programs are to be no less than 75% and no greater than 125% of the amount provided in the contract from the assessment on the gas and electricity companies. The CAEA also allows for the SEU to receive federal funds, private funds (subject to the DDOE's approval) and other District funds. Moreover, the statute established the SEU as a performance-based contract, providing financial incentives for the SEU to surpass the performance benchmarks set forth in the contract, as well as penalties for failure to meet the benchmarks. The incentives and penalties under the contract are issued at the discretion of the DDOE.

Role of the Advisory Board

The CAEA established the Sustainable Energy Utility Advisory Board to advise the DDOE on the performance and operations of the SEU. Specifically, under the law, the Board is to provide advice, comments and recommendations to the DDOE and DC Council regarding the procurement, administration and performance of the SEU contract. The CAEA requires that the Board be comprised of thirteen members representing diverse interests, expertise and perspectives regarding energy efficiency and renewable energy. Each member of the Board serves a three-year, renewable term. During FY 2013, the Board was comprised of the following members:

Keith Anderson, Director, District Department of the Environment

Sandra Mattavous-Frye, People's Counsel

Betty Ann Kane, Chair, Public Service Commission

Daniel Wedderburn, appointed by Council Chairman Mendelson

Lawrence Martin, Sierra Club

Joe Andronaco, Access Green

Jermaine Brown, Representing Low-income Community

Bernice K. McIntyre, Washington Gas

Donna Cooper, Pepco

Nicole Snarski, Cassidy Turley

John Mizroch, appointed by Councilmember Cheh

The Board meets at least quarterly to discuss the performance of the SEU and specific ways in which the SEU can be improved. The Board is required to report on the progress of the SEU to the DC Council on an annual basis. The annual report provides an opportunity for the Board to update the DC Council on the issues, programs and concerns discussed over the course of the year and to inform both the DC Council and the DDOE of its recommendations for the SEU moving forward.

Typically, the Board has submitted its Annual Report on or around November 15, which is the initial date when the Board provided a report to the Council after the formation of the SEU. The Board is committed to providing the Council with timely annual updates but respectfully requests that the deadline for submission of the Annual Report be extended to December 31. The Board's request is due to the fact that the SEU's fourth quarter report and full Annual Report are not published until the close of October. This abbreviated period between October 31 and November 15 does not provide the Board adequate time to fully review the SEU's data. The Board believes that extending the deadline to December 31 will allow for a more thorough analysis of the SEU's reports which will enable the Board to provide the Council and the DDOE with an accurate portrait of its evaluation of the SEU's performance and progress.

EXECUTIVE SUMMARY

The Sustainable Energy Utility Advisory Board is pleased to submit to the Council of the District of Columbia this Annual Report on the Board's evaluation and review of the SEU's performance and operations in Fiscal Year 2013. During FY 2013, the Board met consistently and conducted in-depth deliberations about various issues facing the SEU. Specifically, the Board met nine times and there were two sub-committee meetings. While many issues overlap between FY 2012 and FY 2013, this report reflects how the Board delved further into a few foundational issues facing the SEU and reached determinations that the Board believes will help make the SEU more effective for District residents.

The first section of the report provides a brief review of the SEU's performance in 2012 and the Board's FY 2012 deliberations and recommendations for the SEU. Specifically, this section addresses the timing for the submission of the Board's Annual Report, minimum spending on electric and gas programs, performance benchmarks and incentives, branding and community awareness about the SEU, annual budgeting and performance periods, as well as leveraging for increased renewable energy capacity.

The second section discusses the SEU's performance in FY 2013. Following a description of the contractual framework for evaluating the SEU's performance, this section outlines the performance benchmarks and minimum contract requirements that were achieved and not achieved by the SEU. For example, in FY 2013, the SEU failed to meet the benchmark for reduction of per-capita electricity and gas consumption. For electricity, the SEU achieved 48.5% of the benchmark minimum and for gas, the SEU achieved only 19% of the benchmark minimum. The SEU exceeded the benchmarks for improving energy efficiency in low-income housing, meeting 123% of the goal and reached only 74% of its green collar jobs mandate. Additionally, the SEU exceeded the 2,000 Kw minimum benchmark for reducing growth in peak demand and achieved a reduction of 7,468 Kw. Thus, the SEU has been making strides towards achieving the benchmarks.

The third section of this report provides a detailed analysis of the central, substantive issues addressed by the Board during FY 2013. First, the Board engaged in lengthy discussions regarding the SEU's failure to meet its energy reduction goals for gas. In its discussions, the Board deliberated on the various issues related to natural gas consumption and gas efficiency measures including the possible tension between gas as a more efficient fuel source than conventionally-sourced electricity and the goal of reducing the usage of gas, and how the 1% energy reduction goal for electricity and gas, individually, could be construed as an impossible objective. Additionally, the Board continued to raise concerns about SEU's branding and community outreach. The Board members emphasized the importance of SEU's engagement with community members so that DC residents can begin to view the SEU as a go-to source for their energy efficiency and renewable energy needs. Further, annual budgeting and performance continued to be an unresolved issue for the Board. Among other things, the Board's Structure and Finance Committee met regularly to make recommendations to address how the inability of the SEU to implement multi-year projects has hampered its overall effectiveness. Also, with assistance from a consultant, the Board engaged in detailed discussions about the viability of the SEU's benchmarks. Finally, in an effort to facilitate the Board's meetings and ensure that the

Board's advisory tasks are performed, the Board approved an amendment to the SEU Advisory Board Bylaws to create a Vice Chair position.

Moving forward, the Board makes the following recommendations for the SEU in FY 2014:

Annual Budgeting and Performance Periods: The CAEA and the SEU Contract should be amended to allow for multi-year projects and funding and to remove the SETF from the DC Treasury through the creation of a true trust fund.

Validation of Green Job Creation: The accounting of green jobs created by the SEU should go beyond that which is directly "papered" and should include all factors involved in energy efficiency and renewable energy contracting. Efforts should be made in the validation of green jobs to reduce administrative time and costs, without sacrificing accuracy.

Low Income Efficiency and Conservation Performance Measure: This target should not simply represent administrative spending targets but be an outcome measure that tracks success in energy conservation and efficiency.

SEU's Potential for Participation in the PJM Capacity Market: The SEU should share its analysis concerning participating in the PJM Capacity Market. The SEU should be directed to take the required next steps to further explore participation in the PJM Capacity Market if the analysis indicates a positive benefit.

Submission of Board's Annual Report: The Board proposes to submit its Annual Report to the DC Council by December 31 which will facilitate a more complete review of the SEU's annual report in preparation the Board's own annual report.

OVERVIEW OF SUSTAINABLE ENERGY UTILITY FY 2012 PERFORMANCE AND ADVISORY BOARD RECOMMENDATIONS

I. Sustainable Energy Utility Advisory Board 2012 Key Findings

A critical mandate of the CAEA requires that the SEU meet minimum requirements, relative to annual expenditures related to electric energy efficiency and natural gas energy efficiency. The SEU did not meet the minimum requirements of the statute, relative to reducing per capita energy consumption. In addition, pursuant to the SEU Contract, the SEU did not meet the targets for reducing per-capita energy consumption for both electricity and natural gas. The SEU contract is funded by an assessment on electric and natural gas customers calculated on a per-kilowatt hour and per-therm basis. Failure of the SEU to expend resources provided by these customers on programs that would directly benefit them was of great concern to the Board. Washington Gas, consequently, recommended that the SEU not receive financial incentives in Fiscal Year 2012 as the SEU did not meet the expenditure requirements for natural gas programs.

A. SEU 2012 Annual Report Summary Evaluation Results[1]

Tetra Tech, a private contractor, was hired to conduct an independent evaluation, measurement and verification of SEU results reported in 2012. The table below notes both the SEU reported value and the Tetra Tech verified value for each of the SEU benchmarks.

Benchmark	Minimum Benchmark	FY2012 Reported	Evaluation Verified	Minimum Benchmarks Achieved
Reduce per-capita energy consumption electricity	45,746 MWh	23,260 MWh	21,448 MWh	Not Achieved
Reduce Per-capita energy consumption natural gas	120,000 mcf	Savings programs- 4,808 mcf – (10,471) mcf	Savings Programs -4,744 mcf	Not Achieved
Increase renewable energy generating capacity	Design a cost effective replacement program	Societal cost test=0.81	Societal cost test result=0.81	Not Achieved
Reduce growth in Peak demand	2,000 kW	3,593 kW	3,216 kW	Achieved
Improve energy Efficiency in low-Income housing	30%	34%	32%	Achieved
Reduce growth in Energy demand of	Performance metric not	N/A	N/A	N/A

[1]SEU FY 2012 Annual Report Summary Evaluation Results, 8 April 2013, Tetra Tech.

Benchmark	Minimum Benchmark	FY2012 Reported	Evaluation Verified	Minimum Benchmarks Achieved
largest users	defined for FY12			
Increase number of green-collar jobs	53	48	41 (DDOE verified)	Not achieved

Tetra Tech offered the following observations:

- Electric and Natural Gas Savings- the one percent annual target is likely set too high for FY2013 given the current funding level
- Renewables- the program becomes cost effective with increased scale
- Peak Demand Reduction-FY2012 minimum target (2MW) exceeded and FY13 first 5-month results exceeds minimum target
- Low-income Allocation-reasonable
- Largest Energy Users-further review of largest energy users report and other benchmarking data and information
- Green Jobs-continued tracking; workforce training and development assessment; assessment of indirect and induced warranted.

Evaluation Findings

- The portfolio of programs is cost effective and the District of Columbia SEU cost effectiveness test results are confirmed.
- Results overall are tracked and reported accurately (92-99% realization rates).
- Realization rates are consistent with other states.
- District of Columbia SEU tracking and estimation tools are transparent and robust.
- District of Columbia SEU Technical Reference Manual is a good foundation, but has opportunity for expansion.
- Participants and contractors are generally satisfied.
- Fiscal year contracts and annual budgets are challenging to manage in conjunction with commercial and institutional programs.
- "Hot" and "cold" implementation cycles make it difficult for contractors to retain employees.
- DC SEU branding awareness is near non-existent with program participants.
- Ongoing program reporting requires improvement to more easily monitor progress.

The Board notes that the 2012 EM&V report and the 2012 audit confirmed the 2012 reporting of the SEU contractor and established the credibility of the SEU's performance and accounting methods.

II. <u>Sustainable Energy Utility Advisory Board 2012 Recommendations</u>

In 2012, the Board's Annual Report presented eight recommendations based upon the Board's evaluation of the SEU's performance over the preceding year. These recommendations, follow-up actions taken, as well as other relevant circumstances are summarized below.

A. Submission of Annual Report

The Board noted that the CAEA requires that the Board submit an Annual Report within 30 days of the end of a fiscal year. The Board observed that this date precedes the delivery of an independent evaluation, measurement and verification (EM&V) report of the SEU's reported performance over the reporting year. The Board recommended that the statutory date for submission of its Annual Report be pushed back to permit its receipt and full review of the EM&V report. The Board reconsidered this issue in FY 2013. Given that the EM&V report is not usually complete until months after the close of the fiscal year, the Board decided that it would forgo waiting for the EM&V report and rely on data from the SEU's Annual Report, provided on or around October 30. The Board is hereby recommending that the report be submitted no later than Dec. 31 of the calendar year.

B. Minimum Spending on Electric and Gas Programs

The Board cited the CAEA's requirement that certain minimum spending be designated to electric and gas conservations programs, calculated on a per kilowatt hour and therm basis. The SEU did not meet this statutory requirement, having substantially missed the gas/therm target. Moreover, the Board found that the SEU also failed to meet its goal for per capita reduction in energy use. The Board expressed its serious concern over the SEU's inability to spend the requisite percentage of its budget on gas efficiency programs and noted that Washington Gas recommended that no performance awards be granted to the SEU for FY 2012.

The SEU continued to struggle to meet the requisite percentage of spending for gas programs in 2013. However, the amount spent had nearly doubled 2012 levels by mid-year 2013. The SEU expresses optimism that major gas efficiency projects being completed by year's end will bring the SEU substantially closer to meeting the gas-spend goal. This issue received continued discussion throughout 2013 and was addressed by the consultant reviewing the SEU's performance benchmarks.

C. Performance Benchmarks

The Board recommended that the SEU identify and share its plans to: 1) meet performance benchmarks for 2013; and 2) to identify any impediments that would preclude them from achieving those requirements. The Board finds that the SEU attended to this recommendation in the presentations made by the SEU to the Board during the course of 2013. The monthly reports both tracked the SEU's progress toward performance goals and aided the Board's understanding of the relationship between performance goals and various factors that contribute to the SEU's overall success. The Board recommended a thorough evaluation of performance targets for the SEU. DDOE executed a contract in 2013 with Jerome Paige and Associates to make recommendations on appropriate performance targets for the SEU. At the time of this writing, this discussion was still actively engaged.

D. Performance Incentives

The Board recommended that the SEU not receive performance incentives for reducing per capita energy consumption in FY 2012. DDOE did not award performance incentives for this benchmark in FY 2012.

E. SEU Advisory Board Chairmanship

Several SEU Advisory Board members expressed concern regarding the DDOE Director's role as Chair of the Board. Some Board members believed that this potentially created a conflict of interest. They recommended that the Executive should perform a legal review of this appointment to determine if it created any conflict. While the Chair of the Board does not agree that this concern has merit, some Board members continue to have this concern. In addition, given the Director of DDOE's significant level of responsibilities, he has been unable to attend and oversee the Board meetings on several occasions. The Board decided to incorporate a Vice Chair as part of its governance structure in order to ensure more continuity of meeting and issues management. This decision, however, does not address the concern regarding conflict of interest.

F. Community Awareness about the SEU

The Board recommended that there be scientific measurement of the scope of the public's awareness of the SEU. The SEU and DDOE followed this recommendation and retained a consultant to conduct an evaluation of SEU branding and awareness among residential and commercial consumers about the SEU. The consultant presented its findings to the Board. Since that presentation, the Board has not been apprised of any subsequent updates on this matter. While the point-in-time assessment was useful, the absence of repeated surveying does not allow for validation or development of any trend information on citizen/customer awareness of the SEU. Consequently, the SEU is not receiving any information on whether its strategies for promotion are successful and the Board has been informed of any such updates.

G. Annual Budgeting and Performance Periods

The Board recommended reevaluation of the annual budgeting and performance periods for the SEU. The Board encouraged full consideration of how multi-year planning with aligned budgets and performance requirements could reduce inefficiencies, and assist the SEU in meeting its benchmarks and minimum requirements. This issue remained unresolved and continued to be discussed at length in FY 2013 and is addressed in the Board's recommendations in this report.

H. Leveraging for Increased Renewable Energy

Finally, the Board recommended that the SEU engage in comprehensive and strategic outreach to private solar energy companies, licensed in the District of Columbia, to leverage private sector resources in accelerating the implementation of renewable energy in the District of Columbia. The Board has not been apprised of any such efforts to engage in comprehensive strategic planning with the DC solar industry, either by the SEU or the DDOE. Anecdotally, Board members have been informed that there is very little coordination or appearance of strategic planning to advance adoption of solar in the District, with initiatives advanced by the SEU, DDOE, the private sector, and the DC Solar United Neighborhoods (a DC PV advocacy organization). The Board has not received further information on the SEU's strategic planning around this issue.

SUSTAINABLE ENERGY UTILITY FY 2013 PERFORMANCE

As explained in the Introduction, pursuant to the CAEA, the Sustainable Energy Utility must meet minimum benchmarks as a matter of law. In addition, the SEU must meet specific targets that are outlined in the SEU Contract relative to each mandated benchmark which covers option years 1 through 6. The contractual targets are under review.

I. Contractual Targets Corresponding with Statutory Benchmarks

(A) Pursuant to section 1.3.1 of the contract, the SEU is required to reduce per-capita energy consumption in the District of Columbia (CAEA, Section 201(d)(1)).

"The contractor shall develop and implement renewable energy and energy efficiency programs for electricity natural gas uses that directly lead to an annual reduction equivalent to 1% of the weather-normalized total electricity consumption in the District of 2009 and an annual reduction equivalent to 1% of the weather-normalized natural gas consumption in the District for 2009. These are separate benchmarks for electricity and natural gas, and the Contractor is required to meet both benchmarks to be eligible for the performance incentive."

(B) Increase renewable energy generating capacity in the District of Columbia (CAEA, Section 201 (d)(2)).

"The SEU is responsible for designing and implementing a cost-effective renewable energy program(s) for installations of renewable energy within the borders of the District of Columbia."

(C) Reduce the Growth of Peak Electricity Demand in the District of Columbia (CAEA, Section 201 (d)(3)).

"The SEU is not required to undertake any programs aimed exclusively at reducing the growth of peak demand. However, the SEU is required to estimate, using protocols developed by PJM for evaluating the capacity effect of energy efficiency projects for Base Residual Auction, the impact on peak demand of its energy efficiency programs."

(D) Improve the Energy Efficiency of Low-Income Housing in the District of Columbia (CAEA, Section 201 (d)(4)).

" On an annual basis, a minimum of 30% of the SETF funds expended by the SEU shall be dedicated to improving the energy efficiency of low-income housing in all eight wards of the District. Programmatic, administrative, evaluation, and other expenses of the SEU for all of its programs shall be included in the denominator (the SEU's total expenditures) but not the numerator (the amount spent on low-income programs).

(E) Reduce the Growth of Energy Demand of the District of Columbia Largest Energy Users (CAEA, Section 201(d)(5)).

(F) Increase the Number of Green Collar Jobs in the District of Columbia (CAEA, Section 201(d)(6)).

In Year 3 of the contract, the SEU is required to create 77 green jobs and at least 88 green jobs per year thereafter.

II. Evaluation, Measurement and Verification

The Board's FY 2013 Report will be completed and transmitted to the Council of the District of Columbia in advance of an independent Evaluation, Measurement and Verification review. This review cannot be completed until after the fiscal year ends and the due date for the Board's Annual Report to the DC Council. This independent review would serve as a critical element in verifying whether or not the SEU has met the benchmark requirements set forth by the CAEA and the terms of the contract. To assist the Board in its review of the SEU's performance, the Board is relying on quarterly reports, presentations and the annual report submitted by the SEU to assess its performance in Fiscal Year 2013. The Board will have no means of independently verifying the information submitted until the following calendar year.

III. Fiscal Year 2013 Results

Performance Benchmarks (through September 30, 2013):

Description	Metric Unit	Benchmark Minimum	Year-to-Date	Benchmark Progress
Reduce per-capita consumption-Electricity	MWh	103,700	50,361	48.5%
Reduce per-capita consumption-Natural gas	Mcf	272,000	52,717	19%
Increase renewable energy generating capacity	Cost/kWh	10% cost reduction over FY 2012	80% cost reduction over FY 2012	
Reduce Growth in peak demand	Kw	2,000	7,468	373%
Improve energy efficiency in low-income housing	Percent of annual budget	4,620,000	5,689,466	123%
Reduce growth in energy demand of largest users	(benchmark not defined)			
Increase number of green collar jobs	Green job hours directly worked by	128,128	94,956	74%

	DC residents, earning at least a living wage			

- Pursuant to the data that has been reviewed, the SEU will not meet the established performance benchmark for reducing per-capita consumption (electricity and natural gas). The benchmark progress for electricity is 48.5% and the progress for natural gas is 19%. Tetra Tech has indicated that this benchmark was set too high for FY2013 given the current funding level. Further review and data is needed to determine the appropriate level. There are some views that the one percent annual target is conservative and should not be changed.

- The SEU has exceeded the minimum performance benchmark for reducing growth in peak demand. The minimum benchmark is 2,000 kW and the actual, year-to-date, is 7,468 kW. The SEU is exceeding this benchmark each year; therefore, further review should be conducted to determine the most appropriate benchmark in this area.

- The SEU has exceeded the minimum performance benchmark for improving energy efficiency in low-income housing, relative to expenditures on related programs. The minimum benchmark is $4.6M and the actual, through September 30 is almost $5.7M. The final number in FY2012 was $4.8M.

- The SEU has not met the minimum benchmark regarding increasing the number of green collar jobs. The minimum benchmark is 128,128 and the actual, through September 30, is 94,956.

Minimum Contract Requirements (through September 30, 2013)

Description	Metric Unit	Benchmark Minimum	Year-to-Date	Benchmark Progress
Expenditures of annual SETF dollars allocated to DC SEU services	Fiscal year dollars	$15,802,000	$15,801,997	100%
Expenditures with Certified Business Enterprises	50% of expenditures on Implementation Contractors	$2,400,000	$4,562,818	190%
Annual expenditures related to electric energy	Program expenditures that reduce electrical	$9,240,000	12,901,338	139%

Description	Metric Unit	Benchmark Minimum	Year-to-Date	Benchmark Progress
efficiency	energy consumption, allocated to sustainable energy activity			
Annual expenditures related to natural gas energy efficiency	Program expenditures that reduce natural gas consumption, allocated to sustainable energy activity	$2,310,000	$2,900,659	125%

- To date, the SEU has met the minimum expenditure requirements regarding SETF dollars allocated to SEU services. The minimum benchmark is $15,802,000 and the year-to-date is $15,801,997.

- Expenditures with Certified Business Enterprises have exceeded the minimum benchmark requirement. The minimum benchmark is $2,733,542 and the actual, through September 30, 2013 is $4,562,818.

- Annual expenditures related to electricity energy efficiency have exceeded the minimum benchmark. The minimum benchmark is $9,240,000 and the actual is $12,901,338.

- Annual expenditures related to natural gas energy efficiency programs has exceeded the established minimum benchmark of $2.3M and the year-to-date actual is $2.9M. This is a marked improvement from Fiscal Year 2012. The minimum requirement was $1.9M and the actual was $700k.