



DC
SUSTAINABLE ENERGY
UTILITY

Third Quarter Report for Fiscal Year 2022

April 1 – June 30, 2022

July 30, 2022



This report of the District of Columbia Sustainable Energy Utility covers the period from April 1 through June 30, 2022. This progress report contains information about the DCSEU's activity to date in FY 2022. It also contains information on the Affordable Housing Retrofit Accelerator, HVAC Replacement, Sustainable Energy Infrastructure and Capacity Building Pipeline, and Solar for All programs.

The data presented in this report is preliminary based on the DCSEU's estimates and is subject to change upon final verification. The data is subject to rigorous monitoring and verification by third-party evaluation and auditing firms hired by the District Department of Energy and Environment at the end of each fiscal year.

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MESSAGE FROM THE DCSEU

This is a time of change in the District of Columbia, especially in the energy and environment space. New leaders will soon join the Council of the District of Columbia. Councilmember Mary Cheh, who created the DCSEU through legislation in 2008 and, sponsored numerous pieces of clean energy and climate legislation, and chairs the Committee on Transportation and the Environment, will transition off the Council in 2023. Emile Thompson was confirmed as the Chairman of the Public Service Commission in May, and a third Commissioner will likely be nominated in the coming months. Large commercial and multifamily property owners and managers are working through how they will approach the Building Energy Performance Standards (BEPS), as DOEE, the DCSEU, and the DC Green Bank work to stand up one of the nation's first Affordable Housing Retrofit Accelerators to support affordable housing owners and managers through the BEPS process. And we are seeing what the world will look like as we continue to live with COVID, which may result in permanent changes in the way we use energy and interact with the built environment.

A substantial change is happening at the DCSEU as well. After more than ten years leading our organization, Ted Trabue is stepping down as Managing Director. Trabue joined the DCSEU in 2011 shortly after VEIC was awarded the DCSEU contract by the District Department of Energy & Environment (DOEE). As Managing Director, he has led the DCSEU in delivering significant benefits to the District, including:

- \$1.3 B in lifetime energy cost savings for District residents and businesses
- \$50M+ in investments and support for low-income residents
- Hundreds of new green jobs for District residents
- \$60 million invested with Certified Business Enterprises and efforts to train and build the capacity of the District's workforce in the green economy
- 7M metric tons of GHG emissions prevented
- Providing more than 6,000 income-qualified families with access to solar energy through the Solar for All program

Ted and the DCSEU team have built an incredibly strong foundation and track record in the District, and I know this foundation will continue to serve us well. We face significant challenges ahead as I take over as Interim Managing Director beginning August 1, 2022, and as VEIC begins its search for a new Managing Director. From inflation, increased equipment costs, supply chain issues, and the looming word of "recession" being tossed about, we know achieving our goals will be difficult. But these challenges also offer opportunities to work together, engage with new leaders and stakeholders in the energy and environment industry, and find creative solutions so we can do more, do better, and expand our impact. We look forward to collaborating with DOEE and other stakeholders to continue to deliver significant and lasting benefits to residents and businesses here in the District.

Brandon Bowles

Interim Managing Director and Director of Operations

QUARTERLY FEATURE: Solar for All's First Solar Shingle Project Installed



On June 27, the DCSEU, DC Green Bank, Flywheel Development, alongside Ward 4 Councilmember Janeese Lewis George and other District government officials, celebrated the completion of the first solar shingle project under the District's Solar for All program.

The project is a community renewable energy facility (CREF or community solar) located in Ward 4 and is one of nearly 200 community solar installations that are part of [Solar for All](#), which is designed to bring the benefits of solar to 100,000 income-qualified DC residents by 2032. The partners [released a video](#) highlighting the new installation and the benefits these projects are bringing to the District.

This community solar installation is the first of its kind in the Solar for All program and is also the first project in the DC area to use the [SunStyle](#) solar shingles. Solar shingles and roofing like SunStyle's are unique in that they produce electricity like a traditional solar panel but also serve as the actual roofing material. This solar roof will produce enough electricity to serve six income-qualified DC families through [Solar for All Community Solar subscriptions](#).

Flywheel Development, a DC-based solar developer and participant in the Solar for All program since 2019, has worked closely with the DCSEU and DC Green Bank to make the project a reality. Since 2019, Flywheel has completed 24 Solar for All Community Solar installations and expects to complete another 11 working with both the DCSEU and the DC Green Bank this year.

This year under Solar for All, the DCSEU, is providing more than \$11.5 million in incentives to local solar contractors and developers to install solar systems on single-family homes of income-qualified DC families, as well to develop larger community solar systems like this one in Ward 4. In total, this work is expected to help more than 2,600 income-qualified DC families cut their electricity bills by about 50 percent, up to \$500 per year, for the next 15 years.

The Solar for All program and this unique project were featured in [Next City](#) and [RTO Insider](#) after the ribbon cutting.

At a Glance: Progress against Benchmarks

Table 1. Cumulative Benchmarks. Performance to date, measured against benchmarks and contract requirements

PLEASE NOTE: The values below should be considered preliminary estimates. VEIC’s Evaluation, Measurement, and Verification (EM&V) team performs monthly quality assurance on DCSEU custom engineering projects to ensure the accuracy of energy savings and GHG emissions reduction. This process has been in place since 2012 and can result in variances in the values presented in previous reports.

Item	Benchmark	Description	Metric Unit	Goal Type	FY 2022 Period Results (April 1, 2022 through June 30, 2022)	Cumulative Results (October 1, 2021 through June 30, 2022)	Year 1 Maximum Annual Target (October 1, 2021 through September 30, 2022)	Five-Cumulative Benchmark Maximum (October 1, 2021 through September 30, 2026)	Annual Maximum Target Progress	Five-Cumulative Maximum Benchmark Progress
1	Cumulative Performance Benchmarks	Reduce electricity and natural gas consumption (combined energy savings)	MMBtu (source)	Cumulative	329,405	648,781	1,515,718	7,578,592	43%	9%
2		Greenhouse Gas Emissions reduction	Metric Tons CO ₂ e (modified gross) ¹	Cumulative	19,768	39,025	104,867	524,334	37%	7%
3		Increase Renewable Generating Capacity plus Reduce Energy Consumption at >= 50% of renewable energy	kW capacity / MWh savings	Cumulative	-	-	1,000 kW	5,000 kW	-	-

¹ Please note: the DCSEU’s Greenhouse Gas Emissions reduction estimates in previous monthly and quarterly reports in FY 2022 were provided in “net” values. The DCSEU is evaluated on “modified gross” values and has updated its reporting to reflect this as of the April 2022 report.

		generating capacity across solar projects								
4		Deep Energy Retrofits	# of projects that lead to at least 30% site energy reduction	Cumulative	-	-	20	100	-	-

Table 2. Annual Benchmarks. Performance to date, measured against benchmarks and contract requirements²

Item	Benchmark	Description	Metric Unit	Goal Type	FY 2022 Period Results (April 1, 2022 through June 30, 2022)	FY 2022 Results to Date (October 1, 2021 through June 30, 2022)	Annual Benchmark Minimum (October 1, 2021 through September 30, 2022)	Annual Benchmark Maximum (October 1, 2021 through September 30, 2022)	Annual Minimum Benchmark Progress	Annual Maximum Benchmark Progress
5	Annual Performance Benchmarks	Improve energy efficiency in low-income housing - spend	30% of annual budget (varies annually)	Annual	\$2,049,795	\$3,483,521	\$4,010,000	\$6,015,000	87%	58%
6		Increase number of green collar jobs	Green job FTE's directly worked by DC residents, earning at least a Living Wage - Hours	Annual	23.15	60.15	66	88	91%	68%

²The DCSEU provides services under a performance-based contract that contains a broad array of performance benchmarks and other contract requirements. These benchmarks are derived from goals established in the District's Clean and Affordable Energy Act of 2008. The DCSEU contract contains additional minimum contract requirements, beyond the contract performance goals.

7		DCSEU General and Administrative Expenses	% of Cost Reimbursement Ceiling (capped at 20%)	Annual	\$884,904	\$2,172,149		\$4,010,000		54%
8	Other Contract Requirements	Expenditures with Small Business Enterprises/Certified Business Enterprises	35% of annual DCSEU operating budget subcontracted to SBEs/CBEs	Annual	\$5,561,978	\$6,248,953	\$20,385,696		31%	

1. Sector Highlights in the Core Areas

- **Low-Income Programs**
 - **Income-Qualified Efficiency Fund (IQEF)**
 - The IQEF program provided \$1,502,055 in incentives for 6 projects during the 3rd quarter of FY 2022.
 - The team is focused on completing projects in the 4th quarter of this year and is in close contact with contractors and customers to monitor any delays.
 - **Affordable Housing Retrofit Accelerator (AHRA)**
 - By the end of the 3rd quarter, the program had 42 active projects in the process of completing an audit with an estimated value of \$1.8 million.
 - The DCSEU, DOEE, and the DC Green Bank worked on proposed program changes to update the Program Design and Implementation Plan.
 - The DCSEU and DOEE continued to train contractors on how to successfully submit an audit through DOEE's BEPS Audit Template platform.
 - **Low-Income Comprehensive**
 - The DCSEU provided \$325,000 in incentives for 4 projects in the Low-Income Comprehensive program in the 3rd quarter.
 - **HVAC Replacement Program**
 - The DCSEU continued to engage customers for the HVAC Replacement program through other income-qualified programs (both DCSEU and non-DCSEU), especially through the Solar for All program.
 - In the 3rd quarter, contractors were in various stages of work on the program, from evaluating homes for the program to installing equipment. By the end of the third quarter, three projects had been assigned for quality assurance (QA) inspection after installation work was complete.
 - At the end of June, the DCSEU had 25 customer homes identified for the program.
 - **Energy Conservation Kits and Food Bank Lighting Distribution**
 - During the 3rd quarter, the DCSEU continued distributing lighting kits to Title I DC Public Schools students and their families and through partner food banks as well. Through the food banks and school lighting kit distribution, the DCSEU served more than 570 participants with a total of \$10,400 in incentives.
 - The DCSEU provided Energy Conservation Kits to 148 income-qualified participants in the 3rd quarter representing \$5,317 in incentives.
- **Residential Efficient Products program**
 - The Efficient Products program allocated \$164,982 in rebates during the 3rd quarter and served more than 9,500 program participants through downstream

prescriptive appliance and HVAC rebates, discounted market-rate energy conservation kits, and residential lighting upstream rebates.

- Appliance Rebates: 205 participants
 - 57 electric leaf blower rebates
 - Home Energy Conservation Kits: 11 participants
 - HVAC Rebates: 89 participants
 - Retail Lighting Discounts: 9,346 participants
- **Business Energy Rebates (BER) and Instant Business Rebates programs**
 - The DCSEU provided rebates totaling \$82,345 through the Business Energy Rebates program in the 3rd quarter. The DCSEU served 17 program participants, including 3 who received enhanced small business (<10,000 square feet) rebates.
 - Instant Business Rebates totaling \$267,014 were provided to 11 participating distributors in the 3rd quarter, serving 1,024 program participants. The DCSEU partners with both Certified Business Enterprise (CBE) and non-CBE lighting distributors to offer instant rebates on energy-efficient lighting, making it simpler for District businesses to take advantage of savings.
 - **Commercial Direct Installation**
 - Working with DCSEU Participating Contractors, a worship facility completed LED lighting and a heat pump upgrade as part of the DCSEU's Commercial Direct Installation work. The DCSEU provided \$10,436 in incentives for the project.
 - **Account Management and Engineering**
 - The Account Management and Engineering teams served more than 15 program participants through the Commercial Custom program providing \$641,253 in incentives in the 3rd quarter.
 - The DCSEU Account Management team hosted several of its first "roundtables" with different vertical markets in the 3rd quarter.
 - The team hosted a Hospitality Sector Roundtable with hotels in April. The session was designed to building awareness of the DCSEU's offerings around refrigeration management along with DCSEU support for hotels that did not meet the BEPS. Three new Custom program projects were identified as a result of the roundtable.
 - The team conducted its second Hospital and Healthcare Energy and Sustainability Roundtable with a focus on BEPS compliance pathway assistance.
 - The team planned its first Commercial Real Estate Roundtable for early July.
 - The DCSEU began engagement with under-resourced faith-based organizations working closely with DC Green Bank during the 3rd quarter.
 - The team supported outreach to customers who are eligible for the AHRA program to encourage their participation and get them to fill out the program application.
 - The team continues outreach to customers to build pipeline for the remainder of FY 2022 and future fiscal years.

- The team conducted Treasure Hunts at a health care facility and a university in June) to uncover energy saving opportunities.
- The team conducted a meet-and-greet call in June with a new Energy Project Manager at a DC hospital.
- **Workforce Development and Training**
 - **Workforce Development program**
 - The DCSEU's FY 2022 Winter Cohort graduated 22 participants June 8, 2022, with a virtual graduation ceremony. A total of 18 participants received full-time employment upon graduation.
 - The team began its FY 2022 Summer Cohort got on June 27, 2022, with 21 externs. This cohort will graduate September 16, with MWCOG, Green Compass, InSite, DC Water, Greenscape, and WDC Solar serving as mentors. The externs are already taking advantage of training and certification opportunities provided through Train Green SEICBP and with DCSEU staff.
 - **Train Green Sustainable Energy Infrastructure and Capacity Building Pipeline (SEICBP) program**
 - The DCSEU launched its first courses for FY 2022 in April, and continued promoting and hosting Train Green SEICBP courses with instructors throughout the 3rd quarter.
 - As of the end of June, more than 130 participants had registered for at least one course.
 - In May, the DCSEU collaborated with the Department of Small and Local Business Development (DSLBD) to produce a Certified Business Enterprise (CBE) Green Rally at the Martin Luther King, Jr. Library for an audience of more than 40 CBE representatives.
 - The team also connected with several organizations to partner on promoting the Train Green SEICBP program including Skyland Workforce Center, UL, InClime Solutions, WDC Solar, and ASHRAE.
 - The DCSEU will continue to launch new courses throughout the remainder of the fiscal year and promote the program working with DSLBD, the Coalition for Nonprofit Housing and Economic Development (CNHED), and other organizations. This includes work to partner with organizations that serve the Latino community to promote our first course offered in Spanish.
 - The team connected with potential partners and instructors, including Catholic Charities of DC, YouthBuildPCS, UDC Land Grant University, Steamfitters Local 608.

2. Activity Supporting DCSEU Initiatives

- **Marketing, Public Relations, Community Outreach, and Public Affairs**
 - During the 3rd quarter, the DCSEU Marketing and Communications team completed the production of a video featuring a Solar for All Community Solar installation in Ward 4 along with the DC Green Bank, Flywheel Development,

and SunStyle, a solar shingle manufacturer. This included a video shoot onsite with Councilmember Janeese Lewis George. The team also hosted a ribbon cutting and distributed a press release to celebrate the project and the video. The project received media hits from *Next City* and *Net Zero Insider*. The team also installed signage at Solar for All Community Solar sites to raise awareness about the program.

- The team supported a sponsorship and exhibit table at the BISNOW State of the Market summit to promote DCSEU commercial and institutional programs and services as well as Train Green SEICBP. Approximately 200 commercial real estate and finance community representatives were in attendance, along with keynote speaker, Mayor Muriel Bowser, who the DCSEU team had the pleasure of meeting after the event.
- The team worked on brand platform updates in support of an upcoming website redesign. The DCSEU also began working with a local CBE subcontractor to assist with overall website information architecture and navigation structure in June
- The team worked on summer advertising and promotional campaigns for residential lighting and electric lawn care equipment. The DCSEU will begin offering electric lawn mower rebates this summer.
- The team worked with a local HVAC contractor on a blog post and newsletter feature article about prepping your HVAC system for summer in June.
- The team continued to promote DCSEU Roundtable events as well as the Train Green SEICBP courses through email marketing, social media, and partner outreach during the 3rd quarter.

- **Outreach and Events Highlights:**

April 6 Montgomery County Clean Energy Summit: The DCSEU presented on a panel entitled “Rising to the Clean Energy Workforce Challenge in the Washington Metropolitan Area”

April 21 Earth Day Solar Demonstration at Langley Elementary: The DCSEU shared information about solar energy and its impact in the District, then built solar cookers with approximately 25 students from the school’s STEM program.

April 21 Green Building and Climate Leadership in DC and Beyond!: The DCSEU had a representative act as a table moderator at this event held at the French Embassy. The event was designed to help attendees showcase their leadership and commitment to sustainable commercial real estate in and around DC.

April 22 Catholic University Climate Change and the Future of Work: The DCSEU exhibited at the career fair and participated in a panel discussion on the built environment and clean energy actions in DC.

April 22 Hillwood Museum Earth Day Fair: The DCSEU participated in the fair with an exhibit table and was able to connect with about 50 individuals during the event.

April 26 DCSEU Hospitality Roundtable: The DCSEU hosted its first roundtable for the hotel and hospitality market with support from the Institute for Market Transformation (IMT).

April 27 National Clean Energy Workforce (NCEWA) Alliance Community Based, Energy Justice, and Workforce Organizations Convening: The DCSEU participated in a virtual convening to provide insights into opportunities to grow the diverse clean energy workforce. NCEWA plans to use outputs from the meeting to identify the resources and support to promulgate best practices and widely distribute recommendations to address gaps so that funders, policymakers, and other stakeholders can more effectively allocate resources, and organizations can more easily work with employers, training providers, and others on workforce development.

May 11 BISNOW Washington DC State of the Market: Engaged an audience of approximately 200 members of the commercial real estate development and finance community to introduce them to current DCSEU program offerings and Workforce Development Activities.

May 13 Going Solar Seminar Series: As part of DOE's seminar series the DCSEU presented information about its programs for income-qualified residents, including Single-Family Solar for All, the HVAC Replacement program, and Income-Qualified Energy Conservation Kits.

May 17-19 Better Buildings, Better Plants Summit: A group of DCSEU staff attended the Summit of approximately 750 attendees to make local connections and learn from other energy experts and service providers; Christian Placencia presented on residential efficiency programs best practices. Crystal McDonald presented to a standing-room-only audience of more than 100 on DCSEU workforce development efforts.

May 25 Energy Heroes: Recruiting the Clean Energy Workforce of the Future: The DCSEU's Community Impact team participated in an IREC webinar and working groups in the first of a series of national convenings bringing together practitioners from the workforce development space to share challenges and opportunities.

June 2 DCSEU Community Service Day with THEARC DC: The DCSEU team coordinated a community service project with THEARC DC at one of their community garden sites in Ward 6. The team followed up with the organization to determine additional community service and partnership opportunities, including working with their Skyland Workforce Center.

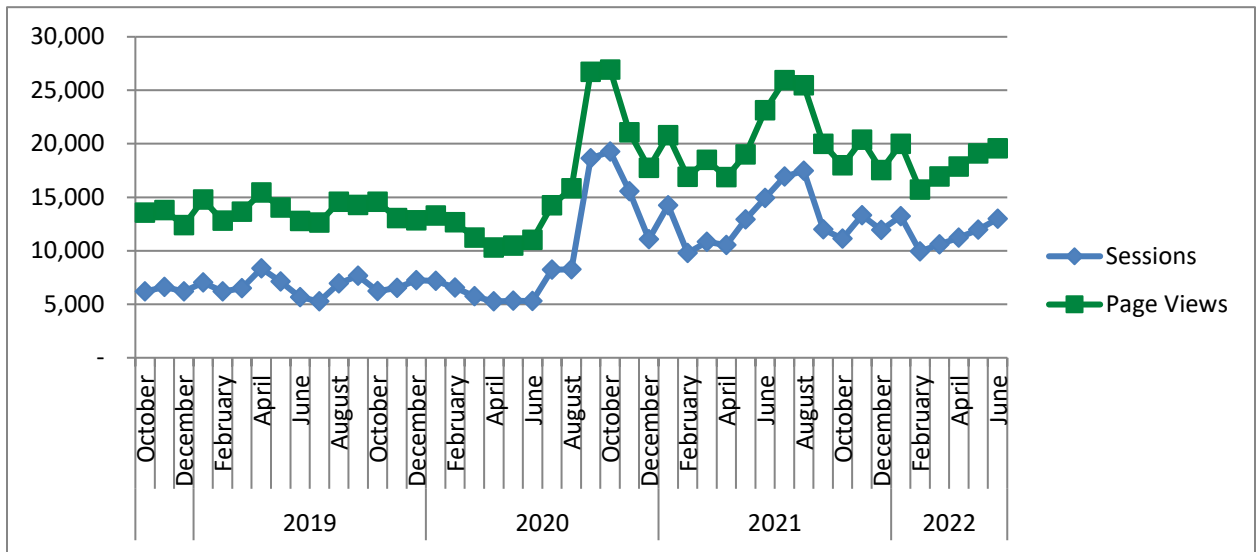
June 8 LEED Convene and Connect: The DCSEU's Community Impact Manager participated in a dialogue with USGBC leadership and approximately 100 local and regional green building experts on the future of LEED.

June 10 DMV Net Zero Energy Coalition Workforce Development event: The DCSEU's Community Impact Manager presented Train Green SEICBP and Workforce Development Program to an audience of 50 training and workforce development providers, local agency staff and contractors.

June 17 Housing Association of Nonprofit Developers (HAND) Annual Housing Summit and Awards: The DCSEU sponsored and exhibited at the event that includes representatives from the multifamily housing community. The team was able to network with potential customers to drive interest and engagement in DCSEU programs that serve market-rate and affordable multifamily properties.

June 27 Rock Creek Ford Solar for All Community Solar Installation Ribbon Cutting: The DCSEU partnered with DC Green Bank, Flywheel Development, and SunStyle on an event to celebrate the completion of the first solar shingle project in Solar for All. The partners were joined by Ward 4 Councilmember Janeese Lewis George.

Figure 1. DCSEU website traffic, including sessions and page views, by month, from FY 2019 to March 31, 2022.



- Facebook **1,096 Followers**
- LinkedIn **1,292 Followers**
- Twitter **2,052 Followers**

Table 6. DCSEU initiatives, by sector

Core area	Initiative name	Description	Customer
Residential	Efficient Products	Deep discounts on LEDs with partnering retailers in DC; mail-in and online rebates for qualifying energy-efficient appliances, HVAC equipment, smart thermostats, and electric lawn equipment; Energy Conservation Kits for market-rate and income-qualified residents	DC residents
	HVAC Replacement program	Replace fossil-fuel heating and water heating systems in income-qualified residents in single-family homes with efficient electric heat pumps and heat pump water heaters at no cost to residents. Combine with Solar for All program.	Income-qualified DC residents in single-family homes
Low-Income Multifamily	Low-Income Multifamily Comprehensive	Custom technical and financial assistance for energy efficiency improvements for multifamily properties	Property owners/managers of multifamily buildings, shelters, and clinics serving income-qualified DC residents
	Income Qualified Efficiency Fund	Custom technical and financial assistance for energy efficiency improvements in multifamily and other qualifying properties working with DCSEU-qualified contractors	Property owners/managers of multifamily buildings, shelters, and clinics serving income-qualified DC residents
	Low-Income Prescriptive Rebates	Rebates for energy-efficient lighting, heating and cooling for income-qualified properties	Property owners/managers of multifamily buildings, shelters, and clinics serving income-qualified DC residents; contractors

Core area	Initiative name	Description	Customer
Renewable Energy	Commercial Solar	Incentives and financing to install solar PV systems offered as part of the C&I Custom program. (only for existing projects; no new projects will receive incentives)	Commercial business owners
Commercial and Institutional	Business Energy Rebates	Rebates for energy-efficient lighting, heating, refrigeration, cooking, leaf blowers, and other qualifying equipment; includes enhanced rebate amounts for businesses with facilities under 10,000 sq. ft.	Business owners
	Commercial Direct Services	Direct installation of energy efficiency measures at primarily small and medium commercial facilities	Business owners
	Instant Business Rebates	Discounted energy-efficient lighting through participating distributors	Business owners
	Commercial and Institutional Custom	Technical assistance, account management, and financial incentives for energy efficiency projects	Large commercial and institutional customers
	Pay for Performance (part of Custom program)	Technical assistance, account management, and incentives for energy efficiency projects. Measures energy savings using pre- and post-project metered data rather than calculation estimates. Allows incentives for behavioral, operational, and complex mixed-measure projects.	Large commercial and institutional energy users; qualified vendors

3. Solar for All

Below are updates from the 3rd quarter for the Community Renewable Energy Facility (CREF) program team:

- Six payment milestones were reached on participating developer projects, representing \$240,767.64 in incentives.
- The team began the FY 2023 RFP and Subcontract process.
- The team continued working with subcontractors to get/keep projects on track and complete milestones for FY 2022 projects.
- The team worked with participating developers to identify additional projects to bring into the program.
- The team worked with 3MW to improve production reporting for existing CREFs.

Below are updates from the 3rd quarter for the Single-Family program team:

- The team has met goal of identifying 100 income qualified single-family homes for the program.
- The program will provide more than 20 repair services for qualified households to allow customers to install solar on their roofs.
- Similar to the CREF program, the team started the FY 2023 RFP and Subcontract process.