

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**

**District Department of the Environment**



February 15, 2012

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

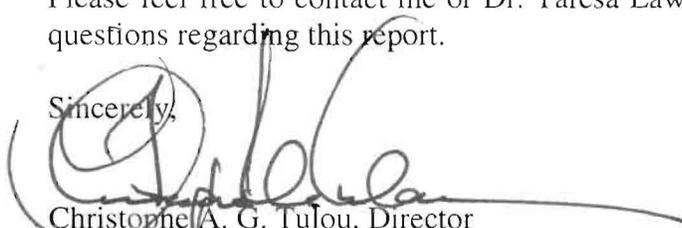
**RE: Clean and Affordable Energy Act of 2008, D.C. Law 17-250**

Dear Chairman Brown:

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) first Quarterly Report for the quarter October 1, 2011 – December 31, 2011. This report describes the performance of Energy Assistance Trust Fund and Sustainable Energy Trust Fund programs and expenditures during the quarter ending December 31, 2011. 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,



Christophe A. G. Tulou, Director  
District Department of the Environment

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**  
*October 1, 2011 – December 31, 2011*

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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 October 1, 2011 – December 31, 2011. 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 three 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*

**Energy Assistance Trust Fund**

**2. 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*

**3. 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 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 Assistance Trust Fund

<b>Program Name:</b>	Renewable Energy Incentive Program
<b>Program Number:</b>	R1
<b>Reporting Period:</b>	October – December 2011

### **Project Description**

The District of Columbia Renewable Energy Incentive Program (REIP) has been developed to increase 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

The Renewable Energy Incentive Program’s (“REIP”) new tiers went into effect on October 1, 2011. These incentive levels apply across all building types that are eligible under the program’s guidelines. There are no changes to the REIP’s eligibility criteria. The new incentive structure is listed below:

- \$1.50 for each of the first 3,000 installed watts of capacity
- \$1.00 for each of the next 7,000 installed watts of capacity
- \$0.50 for each of the next 10,000 installed watts of capacity

Rebates for all systems are capped at a maximum of \$16,500 (at 20 kilowatts capacity or greater) for each applicant site per program year. The REIP received 144 new applicants and prequalified 147 applicants. The REIP provided rebates for 4 projects representing 13kW of installed capacity and \$19,157.00 in rebates.

### **Breakdown by property type (of 4 projects funded)**

Residential: 4          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
<b>Current Quarter</b>	2	0	2	0	0	0	0	0	4
<b>Cumulative Total</b>	2	0	2	0	0	0	0	0	4

**Table 2: Renewable Energy Incentive Program Deliverables**

Program Deliverables	Quarter Achievement	Cumulative Achievement	Program Goal
Number of Rebates	4	4	-
Rebate Amounts Awarded	\$ 19,157.00	\$ 19,157.00	<b>\$2,000,000</b>
Residential Installations	4	4	
Non-profit, business and institutional Installations, commercial, educational	0	0	
Capacity of Projects Rebated (kW)	13.46	13.46	-
Kilowatt hours/year capacity awarded (kWh)	16,550	16,550	
Energy Value (\$/year @ 13¢ a kWh)	\$2151.50	\$2151.50	
Projected Lifetime Energy Value (\$/yr @ 13 ¢ a kWh for 25years)	\$53,787.50	\$53,787.50	
Emissions Offset (Avoided)*			
Carbon dioxide (pounds)	27,754.35	27,754.35	
Nitrogen oxides (pounds)	38.78	38.78	
Sulfur dioxide (pounds)	107.49	107.49	

\*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. <http://www.cleanerandgreener.org/download/2009-4-21%20C&G%20Program%20Emission%20Factors%20and%20Energy%20Prices.pdf>

**Table 3: Renewable Energy Incentive Program Quarter 1 Timeline and Milestones**

Milestone	Goal Date	Actual Date Accomplished
<b>Quarter 1 October - December 2011</b>		
Reopen REIP Program	October 2011	October 2011
Distribute Approved Rebates	December 2011	December 2011
Introduce Solar Thermal Incentives	November 2011	Incomplete
Complete Site Visits	December 2011	December 2011

### Next Quarter's Projected Goals

In the upcoming quarter, the REIP will continue to accept and qualify new applicants for the fiscal year. In addition, program staff will visit more system rebate recipients to close out the program's site visit requirements. The REIP will also introduce and accept applications for solar thermal projects.

**Table 4: Renewable Energy Incentive Program Quarter 2 Timeline and Milestone**

<b>Milestone</b>	<b>Goal Date</b>	<b>Actual Date Accomplished</b>
<b>Quarter 2 January - March 2012</b>		
Distribute Approved Rebates	March 2012	
Introduce Solar Thermal Incentives	February 2012	
Complete Site Visits	March 2012	

### Issues and remedial plan

None

## Energy Assistance Trust Fund

<b>Program Name:</b>	LIHEAP Expansion and Energy Education
<b>Program Number:</b>	D1
<b>Reporting Period:</b>	October – December 2011

### Program Description

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

### Program Status

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

### Program Accomplishments

The LIHEAP Expansion and Energy Education Program enrolled 7,115 eligible District residents this quarter. DDOE continues to hold educational workshops for customers that enroll in the LIHEAP Program. The customers learn how to make their homes more energy efficient. The workshops also educate customers on how to weatherize their homes and provide tips on decreasing their heating and cooling costs.

**Table 5: LIHEAP Expansion Deliverables**

<b>Program Deliverable</b>	<b>Quarter Achievement</b>	<b>Cumulative Achievement</b>	<b>Program Goal</b>
Enroll Additional Participants	7,115	7,115	N/A

**Table 6: LIHEAP Expansion Quarter 1 Timeline and Milestones**

<b>Milestone</b>	<b>Goal Date</b>	<b>Actual Date</b>
<b>Quarter 1 October – December 2011</b>		
Serve Additional eligible District Households (electric)	December 2011	December 2011
Continue educational workshops	December 2011	December 2011

**Next Quarter’s Projected Goals**

**Table 7: LIHEAP Expansion Quarter 2 Timeline and Milestones**

<b>Milestone</b>	<b>Goal Date</b>	<b>Actual Date</b>
<b>Quarter 2 January – March 2012</b>		
Serve additional eligible District households (electric)	March 2012	
Continue educational workshops	March 2012	

**Issues and Remedial Plan**

None

<b>Program Name:</b>	Residential Essential Service Expansion and Awareness Program
<b>Program Number:</b>	G1
<b>Reporting Period:</b>	October – December 2011

### Project Description

The Residential Essential Service (“RES”) Expansion and Awareness Program aims to provide eligible gas customers greater affordability toward their total gas bills and to increase the participation rate by at least 30%. The RES Expansion program follows the same enrollment schedule as the RES program which extends its services until April 30, 2012.

### Program Status

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

### Program Accomplishments

During the first quarter, 5,265 participants applied for the program and 1,613 were new participants.

**Table 8: RES Expansion Deliverables**

Program Deliverable	Quarter Achievement	Cumulative Achievement	Program Goal
Enroll Additional Participants	1,613	1,613	N/A

**Table 9: RES Expansion Participants by Ward**

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Total
<b>Current Quarter</b>	66	35	4	155	337	147	364	505	<b>1,613</b>
<b>Cumulative Total</b>	66	35	4	155	337	147	364	505	<b>1,613</b>

**Table 10: RES Expansion Quarter 1 Timeline and Milestones**

<b>Milestone</b>	<b>Goal Date</b>	<b>Actual Date</b>
<b>Quarter 1 October – December 2011</b>		
Increase program participation rate by 30% among eligible customers	December 2011	December 2011

**Next Quarter’s Projected Goals**

**Table 11: RES Expansion Quarter 2**

<b>Milestone</b>	<b>Goal Date</b>	<b>Actual Date</b>
<b>Quarter 2 January – March 2012</b>		
Increase program participation rate by 30% among eligible customers	March 2012	

**Issues and Remedial Plan**

None



**ATTACHMENT 2  
ALL FINANCIAL ACTIVITY  
AS OF 12/31/2011**

FUND	PROJECT NUMBER	PROJECT TITLE	PERSONNEL SERVICES/NON-PERSONNEL SERVICES	BUDGET	EXPENDITURE	INTRA-DISTRICT ADVANCE	PURCHASE ORDER BALANCE	REQUISITION BALANCE	YTD EXPENDITURES & OBLIGATIONS	AVAILABLE BALANCE
SETF (6700)	ABOARD	SETF & EATF ADVISORY BOARD	NON-PERSONNEL SERVICES	26,000.00	0.00	0.00	0.00	0.00	0.00	26,000.00
	<b>ABOARD Total</b>			<b>26,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>26,000.00</b>
	ADMSEU	SEU CONTRACT ADMINISTRATION	PERSONNEL SERVICES	591,625.62	115,283.36	0.00	0.00	0.00	115,283.36	476,342.26
			NON-PERSONNEL SERVICES	908,374.39	-42,266.13	144,198.74	134,320.00	0.00	236,252.61	672,121.78
	<b>ADMSEU Total</b>			<b>1,500,000.01</b>	<b>73,017.23</b>	<b>144,198.74</b>	<b>134,320.00</b>	<b>0.00</b>	<b>351,535.97</b>	<b>1,148,464.04</b>
	NGG609*	SAVING ENERGY IN D.C SCHOOLS	PERSONNEL SERVICES	0.00	-1,717.78	0.00	0.00	0.00	-1,717.78	1,717.78
	<b>NGG609 Total</b>			<b>0.00</b>	<b>-1,717.78</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-1,717.78</b>	<b>1,717.78</b>
	RERP09	RENEWABLE ENERGY INCENTIVES	NON-PERSONNEL SERVICES	2,000,000.00	19,157.50	0.00	0.00	34,320.00	53,477.50	1,946,522.50
	<b>RERP09 Total</b>			<b>2,000,000.00</b>	<b>19,157.50</b>	<b>0.00</b>	<b>0.00</b>	<b>34,320.00</b>	<b>53,477.50</b>	<b>1,946,522.50</b>
	SEUCTR	SEU CONTRACT	NON-PERSONNEL SERVICES	13,800,000.00	0.00	0.00	13,800,000.00	0.00	13,800,000.00	0.00
	<b>SEUCTR Total</b>			<b>13,800,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13,800,000.00</b>	<b>0.00</b>	<b>13,800,000.00</b>	<b>0.00</b>
	SEUEMV	SEU CONTRACT EM&V	PERSONNEL SERVICES	141,505.44	24,209.14	0.00	0.00	0.00	24,209.14	117,296.30
			NON-PERSONNEL SERVICES	1,058,494.56	0.00	0.00	0.00	0.00	0.00	1,058,494.56
	<b>SEUEMV Total</b>			<b>1,200,000.00</b>	<b>24,209.14</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>24,209.14</b>	<b>1,175,790.86</b>
	SEURVW	SEU INDEPENDENT REVIEW OF PE	NON-PERSONNEL SERVICES	100,000.00	0.00	0.00	0.00	0.00	0.00	100,000.00
	<b>SEURVW Total</b>			<b>100,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100,000.00</b>
	<b>6700 Total</b>			<b>18,626,000.01</b>	<b>114,666.09</b>	<b>144,198.74</b>	<b>13,934,320.00</b>	<b>34,320.00</b>	<b>14,227,504.83</b>	<b>4,398,495.18</b>
EATF (6800)	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	56,643.66	14,462.92		0.00	0.00	14,462.92	42,180.74
			NON-PERSONNEL SERVICES	45,000.00	0.00	25,000.00	0.00	0.00	25,000.00	20,000.00
	<b>ADMEA9 Total</b>			<b>101,643.66</b>	<b>14,462.92</b>	<b>25,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>39,462.92</b>	<b>62,180.74</b>
	LID109	LIHEAP EXPANSION & ENERGY EDU	NON-PERSONNEL SERVICES	1,642,728.34	542,450.00	0.00	0.00	0.00	542,450.00	1,100,278.34
	<b>LID109 Total</b>			<b>1,642,728.34</b>	<b>542,450.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>542,450.00</b>	<b>1,100,278.34</b>
	LID209	RAD EXPANSION	PERSONNEL SERVICES	54,537.51	17,118.06	0.00		0.00	17,118.06	37,419.45
			NON-PERSONNEL SERVICES	45,462.49	7,101.20	0.00	24,181.80	0.00	31,283.00	14,179.49
	<b>LID209 Total</b>			<b>100,000.00</b>	<b>24,219.26</b>	<b>0.00</b>	<b>24,181.80</b>	<b>0.00</b>	<b>48,401.06</b>	<b>51,598.94</b>
	LIG109	RES EXPANSION	NON-PERSONNEL SERVICES	461,270.00	0.00	0.00	0.00	0.00	0.00	461,270.00
	<b>LIG109 Total</b>			<b>461,270.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>461,270.00</b>
	<b>6800 Total</b>			<b>2,305,642.00</b>	<b>581,132.18</b>	<b>25,000.00</b>	<b>24,181.80</b>	<b>0.00</b>	<b>630,313.98</b>	<b>1,675,328.02</b>
REDF (662)	NA	NA	PERSONNEL SERVICES	204,802.74	25,277.51	0.00	0.00	0.00	25,277.51	179,525.23
			NON-PERSONNEL SERVICES	50,667.26	0.00	0.00	0.00	0.00	0.00	50,667.26
	<b>662 Total</b>			<b>255,470.00</b>	<b>25,277.51</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>25,277.51</b>	<b>230,192.49</b>
	<b>GRAND TOTAL</b>			<b>21,187,112.01</b>	<b>721,075.78</b>	<b>169,198.74</b>	<b>13,958,501.80</b>	<b>34,320.00</b>	<b>14,883,096.32</b>	<b>6,304,015.69</b>

Note: Project NGG609 (Saving Energy in DC Schools) is not an active project in FY12. The negative expenditure is associated with a prior appropriation year personnel cost accrual.

**ATTACHMENT 3**  
**Administrative Budget and Expenditures**  
**1st Quarter- as of December 31, 2011**

Fund	Project No	Project Title	PS/NPS Category	Budget	QUARTERLY ACTUAL EXPENDITURES				Total Year-to-Date Actual Expenditures
					October-Dec	Jan-March	April-June	July-Sept	
6700	ADMSEU	SEU CONTRACT ADMINISTRATION	PERSONNEL SERVICES	591,625.62	115,283.36				115,283.36
			NON-PERSONNEL SERVICES	86,700.	20.99				20.99
	ADMSEU Total			678,325.62	115,304.35				115,304.35
	NGG609	SAVING ENERGY IN D.C SCHOOLS	PERSONNEL SERVICES	0.	-1,717.78				-1,717.78
	NGG609 Total			0.00	-1,717.78				-1,717.78
	SEUEMV	SEU CONTRACT EM&V	PERSONNEL SERVICES	141,505.44	24,209.14				24,209.14
SEUEMV Total			141,505.44	24,209.14				24,209.14	
<b>SETF Total</b>				<b>819,831.06</b>	<b>137,795.71</b>				<b>137,795.71</b>
6800	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	56,643.66	14,462.92				14,462.92
			NON-PERSONNEL SERVICES	20,000.	0.				0.
	ADMEA9 Total			76,643.66	14,462.92				14,462.92
	LID209	RAD EXPANSION	PERSONNEL SERVICES	54,537.51	17,118.06				17,118.06
			NON-PERSONNEL SERVICES	30,000.	2,101.2				2,101.2
LID209 Total			84,537.51	19,219.26				19,219.26	
<b>EATF Total</b>				<b>161,181.17</b>	<b>33,682.18</b>				<b>33,682.18</b>
662	NA	NA	PERSONNEL SERVICES	204,802.74	25,277.51				25,277.51
			NON-PERSONNEL SERVICES	2,000.	0.				0.
<b>REDF Total</b>				<b>206,802.74</b>	<b>25,277.51</b>				<b>25,277.51</b>
<b>Grand Total</b>				<b>1,187,814.97</b>	<b>196,755.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>196,755.40</b>

*Note: Project NGG609 (Saving Energy in DC Schools) is not an active project in FY12. The negative expenditure is associated with a prior appropriation year personnel cost accrual.*

**ATTACHMENT 4  
EXPENDITURE BY MONTH  
1ST QUARTER ~ AS OF DECEMBER 31, 2011**

Agency Fund	Project Number	Project Title	BUDGET	Actual Expenditures			Total Expenditure
				October	November	December	
6700	ABOARD	SETF & EATF ADVISORY BOARD	26,000	8,732	-7,717	-1,016	0
	ADMSEU	SEU CONTRACT ADMINISTRATION	1,500,000	-35,519	48,770	59,766	73,017
	NGG609*	SAVING ENERGY IN D.C SCHOOLS	0	2,813	-4,384	-147	-1,718
	RERP09	RENEWABLE ENERGY INCENTIVES	2,000,000	200	-460	19,418	19,158
	SEUCTR	SEU CONTRACT	13,800,000	0	0	0	0
	SEUEMV	SEU CONTRACT EM&V	1,200,000	3,285	11,981	8,944	24,209
	SEURVW	SEU INDEPENDENT REVIEW OF PERFORMANCE	100,000	0	0	0	0
<b>SETF Total</b>			<b>18,626,000</b>	<b>-20,488</b>	<b>48,190</b>	<b>86,965</b>	<b>114,666</b>
6800	ADMEA9	EATF ADMINISTRATION	101,644	6,236	3,288	4,939	14,463
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	1,642,728	920	-214	541,744	542,450
	LID209	RAD EXPANSION	100,000	3,839	6,308	14,072	24,219
	LIG109	RES EXPANSION	461,270	1,024	0	-1,024	0
<b>EATF Total</b>			<b>2,305,642</b>	<b>12,019</b>	<b>9,382</b>	<b>559,730</b>	<b>581,132</b>
0662	NA	NA	255,470	6,005	13,327	5,945	25,278
<b>REDF Total</b>			<b>255,470</b>	<b>6,005</b>	<b>13,327</b>	<b>5,945</b>	<b>25,278</b>
<b>Grand Total</b>			<b>21,187,112</b>	<b>-2,464</b>	<b>70,899</b>	<b>652,640</b>	<b>721,076</b>

*Note: Project NGG609 (Saving Energy in DC Schools) is not an active project in FY12. The negative expenditure is associated with a prior appropriation year personnel cost accrual.*