

GOVERNMENT OF THE DISTRICT OF COLUMBIA

District Department of the Environment



May 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) second Quarterly Report for the quarter January 1, 2012 – March 31, 2012. This report describes the performance of Energy Assistance Trust Fund and Sustainable Energy Trust Fund programs and expenditures during the quarter ending March 31, 2012. 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,

A handwritten signature in green ink, appearing to read "Christophe A. G. Tulou", is written over the word "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
January 1, 2012 – March 31, 2012

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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 January 1, 2012 – March 31, 2012. 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 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 Assistance Trust Fund

Program Name:	Renewable Energy Incentive Program
Program Number:	R1
Reporting Period:	January – March 2012

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 program supported 40 projects and added 184 kilowatts of solar power capacity to the District. The program received 76 new requests, prequalified 262 applicants from the waitlist pool, and conducted 53 site visits.

Breakdown by property type (of 40 projects funded)

Residential: 40 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	16	1	8	6	0	9	0	0	40
Cumulative Total	18	1	10	6	0	9	0	0	44

Table 2: Renewable Energy Incentive Program Deliverables

Program Deliverables	Quarter Achievement	Cumulative Achievement	Program Goal
Number of Rebates	40	44	-
Rebate Amounts Awarded & Obligated	\$ 428,548	\$ 447,405	\$2,000,000
Residential Installations	40	44	
Non-profit, business and institutional Installations, commercial, educational	0	0	
Capacity of Projects Rebated (kW)	183.7	197.16	-
Kilowatt hours/year capacity awarded (kWh)	225,916	242,466	
Energy Value (\$/year @ 13¢ a kWh)	\$29,369.08	\$31,520.58	
Projected Lifetime Energy (\$/yr @ 13 ¢ a kWh for 25years)	\$734,225	\$788,012.50	
Emissions Offset (Avoided)*			
Carbon dioxide (pounds)	378,861.12	406,615.48	
Nitrogen oxides (pounds)	1467.13	1,505.91	
Sulfur dioxide (pounds)	529.32	636.81	

**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.cleainerandgreener.org/download/2009-4-21%20C&G%20Program%20Emission%20Factors%20and%20Energy%20Prices.pdf>

Table 3: Renewable Energy Incentive Program Quarter 2 Timeline and Milestones

Milestone	Goal Date	Actual Date Accomplished
Quarter 2 January – March 2012		
Distribute Approved Rebates	March 2012	March 2012
Introduce Solar Thermal Incentives	February 2012	Incomplete
Complete Site Visits	March 2012	March 2012

Next Quarter's Projected Goals

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

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

Milestone	Goal Date	Actual Date Accomplished
Quarter 3 April – June 2012		
Distribute Approved Rebates	June 2012	
Complete Site Visits	June 2012	

Issues and remedial plan

None

Energy Assistance Trust Fund

Program Name:	LIHEAP Expansion and Energy Education
Program Number:	D1
Reporting Period:	January – March 2012

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 6,305 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

Program Deliverable	Quarter Achievement	Cumulative Achievement	
Enroll Additional Participants	6,305	13,420	

Table 6: LIHEAP Expansion Quarter 2 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 2 January - March		
Serve Additional eligible District Households (electric)	March 2012	March 2012
Continue educational workshops	March 2012	March 2012

Next Quarter's Projected Goals

Table 7: LIHEAP Expansion Quarter 3 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 3 April - June		
Serve additional eligible District households (electric)	June 2012	
Continue educational workshops	June 2012	

Issues and Remedial Plan

None

Program Name:	Residential Essential Service Expansion and Awareness Program
Program Number:	G1
Reporting Period:	January – March 2012

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 second quarter, 3,192 participants applied for the program and 2,003 were new participants.

Table 8: RES Expansion Deliverables

Program Deliverable	Quarter Achievement	Cumulative Achievement	Program Goal
Additional Participants	2,003	3,616	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
Current Quarter	123	38	9	263	448	177	429	516	2,003
Cumulative Total	189	73	13	418	785	324	793	1,021	3,616

Table 10: RES Expansion Quarter 2 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 2 January - March		
Increase program participation rate by 30% among eligible customers	March 2012	March 2012

Next Quarter's Projected Goals

Table 11: RES Expansion Quarter 3

Milestone	Goal Date	Actual Date
Quarter 3 April - June		
Increase program participation rate by 30% among eligible customers	June 2012	

Issues and Remedial Plan

None

**ATTACHMENT 2
ALL FINANCIAL ACTIVITY
AS OF 3/31/12**

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
	ABOARD Total			26,000.00	0.00	0.00	0.00	0.00	0.00	26,000.00
	ADMSEU	SEU CONTRACT ADMINISTRATION	PERSONNEL SERVICES	591,625.62	214,962.54	0.00	0.00	0.00	214,962.54	376,663.08
			NON-PERSONNEL SERVICES	908,374.39	26,534.78	110,409.65	145,320.00	100,000.00	382,264.43	526,109.96
	ADMSEU Total			1,500,000.01	241,497.32	110,409.65	145,320.00	100,000.00	597,226.97	902,773.04
	EPD409*	WEATHERIZATION PLUS	NON-PERSONNEL SERVICES	0.00	-334,517.20	0.00	0.00	0.00	-334,517.20	
	EPD409 Total			0.00	-334,517.20	0.00	0.00	0.00	-334,517.20	334,517.20
	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
	NGG609 Total			0.00	-1,717.78	0.00	0.00	0.00	-1,717.78	1,717.78
	RERP09	RENEWABLE ENERGY INCENTIVES	NON-PERSONNEL SERVICES	2,000,000.00	266,275.50	0.00	91,840.00	89,589.50	447,705.00	1,552,295.00
	RERP09 Total			2,000,000.00	266,275.50	0.00	91,840.00	89,589.50	447,705.00	1,552,295.00
	SEUCTR	SEU CONTRACT	NON-PERSONNEL SERVICES	13,800,000.00	2,067,779.00	0.00	11,732,221.00	0.00	13,800,000.00	0.00
	SEUCTR Total			13,800,000.00	2,067,779.00	0.00	11,732,221.00	0.00	13,800,000.00	0.00
	SEUEMV	SEU CONTRACT EM&V	PERSONNEL SERVICES	141,505.44	52,090.51	0.00	0.00	0.00	52,090.51	89,414.93
			NON-PERSONNEL SERVICES	1,058,494.56	0.00	0.00	0.00	0.00	0.00	1,058,494.56
	SEUEMV Total			1,200,000.00	52,090.51	0.00	0.00	0.00	52,090.51	1,147,909.49
	SEURVW	SEU INDEPENDENT REVIEW OF PEI	NON-PERSONNEL SERVICES	100,000.00	0.00	0.00	0.00	0.00	0.00	100,000.00
	SEURVW Total			100,000.00	0.00	0.00	0.00	0.00	0.00	100,000.00
	6700 Total			18,626,000.01	2,291,407.35	110,409.65	11,969,381.00	189,589.50	14,560,787.50	4,065,212.51
EATF (6800)	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	56,643.66	22,814.04	0.00	0.00	0.00	22,814.04	33,829.62
			NON-PERSONNEL SERVICES	45,000.00	11,835.19	13,164.81	0.00	0.00	25,000.00	20,000.00
	ADMEA9 Total			101,643.66	34,649.23	13,164.81	0.00	0.00	47,814.04	53,829.62
	LID109	LIHEAP EXPANSION & ENERGY EDU	NON-PERSONNEL SERVICES	1,642,728.34	1,458,413.77	0.00	0.00	0.00	1,458,413.77	184,314.57
	LID109 Total			1,642,728.34	1,458,413.77	0.00	0.00	0.00	1,458,413.77	184,314.57
	LID209	RAD EXPANSION	PERSONNEL SERVICES	54,537.51	32,950.34	0.00	0.00	0.00	32,950.34	21,587.17
			NON-PERSONNEL SERVICES	45,462.49	18,104.97	0.00	14,396.80	0.00	32,501.77	12,960.72
	LID209 Total			100,000.00	51,055.31	0.00	14,396.80	0.00	65,452.11	34,547.89
	LIG109	RES EXPANSION	NON-PERSONNEL SERVICES	461,270.00	3,634.84	0.00	0.00	0.00	3,634.84	457,635.16
	LIG109 Total			461,270.00	3,634.84	0.00	0.00	0.00	3,634.84	457,635.16
	6800 Total			2,305,642.00	1,547,753.15	13,164.81	14,396.80	0.00	1,575,314.76	730,327.24
REDF (662)	NA	NA	PERSONNEL SERVICES	204,802.74	44,770.37	0.00	0.00	0.00	44,770.37	160,032.37
			NON-PERSONNEL SERVICES	50,667.26	199.99	0.00	0.00	0.00	199.99	50,467.27
	662 Total			255,470.00	44,970.36	0.00	0.00	0.00	44,970.36	210,499.64
	GRAND TOTAL			21,187,112.01	3,884,130.86	123,574.46	11,983,777.80	189,589.50	16,181,072.62	5,006,039.39

Note: *Project EPD409 (Weatherization Plus) is not an active project in FY12. The negative expenditure reflects a prior year cost reimbursement.

**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
2nd Quarter- as of March 31, 2012

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	99,679.18			214,962.54
			NON-PERSONNEL SERVICES	86,700.	20.99	93.97			114.96
	ADMSEU Total			678,325.62	115,304.35	99,773.15			215,077.50
	NGG609	SAVING ENERGY IN D.C SCHOOLS	PERSONNEL SERVICES	0.	-1,717.78	0.00			-1,717.78
	NGG609 Total			0.00	-1,717.78	0.00			-1,717.78
	SEUEMV	SEU CONTRACT EM&V	PERSONNEL SERVICES	141,505.44	24,209.14	27,881.37			52,090.51
	SEUEMV Total			141,505.44	24,209.14	27,881.37			52,090.51
	EPD409	WEATHERIZATION PLUS	NON-PERSONNEL SERVICES	0.	0.	0.00			0.
EPD409 Total			0.00	0.00	0.00			0.00	
SETF Total				819,831.06	137,795.71	127,654.52			265,450.23
6800	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	56,643.66	14,462.92	8,351.12			14,462.92
			NON-PERSONNEL SERVICES	20,000.	0.	0.00			0.
	ADMEA9 Total			76,643.66	14,462.92	8,351.12			14,462.92
	LID209	RAD EXPANSION	PERSONNEL SERVICES	54,537.51	17,118.06	15,832.28			17,118.06
			NON-PERSONNEL SERVICES	30,000.	2,101.2	4,720.77			2,101.2
LID209 Total			84,537.51	19,219.26	20,553.05			19,219.26	
EATF Total				161,181.17	33,682.18	28,904.17			62,586.35
662	NA	NA	PERSONNEL SERVICES	204,802.74	25,277.51	19,492.86			25,277.51
			NON-PERSONNEL SERVICES	2,000.	0.	199.99			0.
REDF Total				206,802.74	25,277.51	19,692.85			44,970.36
Grand Total				1,187,814.97	196,755.40	176,251.54	0.00	0.00	373,006.94

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
2ND QUARTER ~ AS OF MARCH 31, 2012**

Agency Fund	Project Number	Project Title	BUDGET	Actual Expenditures						Total Expenditure
				October	November	December	January	February	March	
6700	ABOARD	SETF & EATF ADVISORY BOARD	26,000	8,732	-7,717	-1,016	0	0	0	0
	ADMSEU	SEU CONTRACT ADMINISTRATION	1,500,000	-35,519	48,770	59,766	50,593	27,338	90,548	241,497
	EPD409*	WEATHERIZATION PLUS	0	0	0	0	-334,517	0	0	-334,517
	NGG609**	SAVING ENERGY IN D.C SCHOOLS	0	2,813	-4,384	-147	0	0	0	-1,718
	RERP09	RENEWABLE ENERGY INCENTIVES	2,000,000	200	-460	19,418	92,426	118,657	36,035	266,276
	SEUCTR	SEU CONTRACT	13,800,000	0	0	0	619,554	1,448,225	0	2,067,779
	SEUEMV	SEU CONTRACT EM&V	1,200,000	3,285	11,981	8,944	7,283	11,866	8,732	52,091
	SEURVW	SEU INDEPENDENT REVIEW OF PERFORMANCE	100,000	0	0	0	0	0	0	0
SETF Total			18,626,000	-20,488	48,190	86,965	435,339	1,606,087	135,315	2,291,407
6800	ADMEA9	EATF ADMINISTRATION	101,644	6,236	3,288	4,939	4,449	1,236	14,501	34,649
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	1,642,728	920	-214	541,744	986,472	113,441	-183,949	1,458,414
	LID209	RAD EXPANSION	100,000	3,839	6,308	14,072	6,093	12,984	7,759	51,055
	LIG109	RES EXPANSION	461,270	1,024	0	-1,024	0	1,511	2,124	3,635
EATF Total			2,305,642	12,019	9,382	559,730	997,015	129,172	-159,566	1,547,753
0662	NA	NA	255,470	6,005	13,327	5,945	7,482	5,805	6,406	44,970
REDF Total			255,470	6,005	13,327	5,945	7,482	5,805	6,406	44,970
Grand Total			21,187,112	-2,464	70,899	652,640	1,439,835	1,741,064	-17,844	3,884,131

Note: *Project EPD409 (Weatherization Plus) is not an active project in FY12. The negative expenditure reflects a prior year cost reimbursement

**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 accrued.