

GOVERNMENT OF THE DISTRICT OF COLUMBIA
District Department of the Environment



February 19, 2014

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

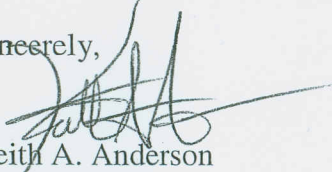
RE: Clean and Affordable Energy Act of 2008, D.C. Law 17-250

Dear Chairman Mendelson:

Pursuant to sections 210(e) and 211(e) of the Clean and Affordable Energy Act of 2008 (“CAEA”), D.C. Law 17-250, effective October 2008, I am pleased to submit the District Department of the Environment’s (“DDOE”) Fiscal Year 2014 First Quarter Report for the October 1, 2013 – December 31, 2013 quarter. This report presents the revenue collection, budget, and expenditures of the Sustainable Energy Trust Fund (“SETF”) and Energy Assistance Trust Fund (“EATF”), and describes the performance of Energy Assistance Trust Fund programs and expenditures during the quarter ending December 31, 2013. There were no SETF programs administered by DDOE during this quarter. This document reflects DDOE’s continuing commitment to making the District more energy efficient and improving the quality of the environment.

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

Sincerely,



Keith A. Anderson
Director

Attachments

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

DISTRICT
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1200 First St. NE, 5th Floor, Washington, DC 20002 | tel: 202.535.2600 | web ddoe.dc.gov



District Department of the Environment
Clean and Affordable Energy Act Quarterly Report
October 1, 2013 – December 31, 2013

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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, 2013 – December 31, 2013. This report: 1) describes significant program status; 2) provides timelines and milestones to track the progress and success of each program; 3) offers highlights of ward specific data; and 4) presents the status of administrative and programmatic expenditures.

BACKGROUND

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

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

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

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

Energy Assistance Trust Fund

1. 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.

2. 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 implements 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

Energy Assistance Trust Fund

Program Name:	LIHEAP Expansion and Energy Education
Program Number:	D1
Reporting Period:	October 1, 2013 – December 31, 2013

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 2,605 eligible District residents this quarter. DDOE continues to hold educational workshops for customers that enroll in LIHEAP where customers learn how to make their homes more energy efficient. The workshops demonstrate to customers how to weatherize their homes and provide tips on decreasing their heating and cooling costs.

Traditionally, the LIHEAP Expansion program funds are not used until the federal LIHEAP grant funds are depleted. However due to the federal shutdown this year, DDOE opted to continue assisting low income District residents using funds collected and available through the Energy Assistance Trust Fund. DDOE did not experience any disruption in providing energy assistance for eligible households as a result.

Table 1: LIHEAP Expansion Deliverables

Program Deliverable	Quarter Achievement	Cumulative Achievement	Program Goal
Enroll additional participants	2,605	2,605	N/A

Table 2: LIHEAP Expansion Quarter 1 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 1 - October 1, 2013 – December 31, 2013		
Serve additional eligible District households	December 2013	December 2013
Continue educational workshops	December 2013	December 2013

Next Quarter's Projected Goals

Table 3: LIHEAP Expansion Quarter 2 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 2 - January 1, 2014 – March 31, 2014		
Serve additional eligible District households	March 2014	
Continue educational workshops	March 2014	

Issues and Remedial Plan

None

Program Name:	Residential Essential Service (“RES”) Expansion and Awareness Program
Program Number:	G1
Reporting Period:	October 1, 2013 – December 31, 2013

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 enroll new applicants for the RES discount. The RES Expansion program follows the same enrollment schedule as the RES program providing discounts during the heating season, November 1, 2013 - April 1, 2014.

Program Status

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

Program Accomplishments

During the first quarter, 3,521 District residents applied for the discount and 1,418 were new applicants.

Table 4: RES Expansion Deliverables

Program Deliverable	Quarter Achievement	Cumulative Achievement	Program Goal
Enroll additional participants	1,418	1,418	1,745

Table 5: RES Expansion Participants by Ward

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Total
Current Quarter	39	24	1	97	238	121	356	542	1,418
Cumulative Total	39	24	1	97	238	121	356	542	1,418

Table 6: RES Expansion Quarter 1 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 1 - October 1, 2013 – December 31, 2013		
Enroll new applicants for the RES discount	December 2013	December 2013

Next Quarter's Projected Goals

Table 7: RES Expansion Quarter 2 Timeline and Milestones

Milestone	Goal Date	Actual Date
Quarter 2 - January 1, 2014 – March 31, 2014		
Enroll new applicants for the RES discount	March 2014	

Issues and Remedial Plan

None

**ATTACHMENT 1
REVENUES COLLECTED
OCTOBER 1, 2013 - DECEMBER 31, 2013**

Sustainable Energy Trust Fund (SETF)				Energy Assistance Trust Fund (EATF)			
Deposit Date	Source of Funds	Amount	Total Received to date	Deposit Date	Source of Funds	Amount	Total Received to date
12/1/2013	PEPCO	1,360,862.62	1,360,862.62	12/1/2013	PEPCO	55,061.46	55,061.46
12/1/2013	WASH GAS	159,217.51	1,520,080.13	12/1/2013	WASH GAS	68,274.64	123,336.10
12/20/2013	PEPCO	1,209,326.21	2,729,406.34	12/20/2013	PEPCO	48,951.65	172,287.75
12/20/2013	WASH GAS	286,388.39	3,015,794.73	12/20/2013	WASH GAS	122,772.97	295,060.72
1st Quarter subtotal		3,015,794.73		1st Quarter subtotal		295,060.72	
Total through 1st Qtr:		3,015,794.73		Total through 1st Qtr:		295,060.72	

Renewable Energy Development Fund (REDF)			
Deposit Date	Source of Funds	Amount	Total Received to date
11/20/13		390.00	390.00
1st Quarter subtotal		390.00	
Total through 1st Qtr:		390.00	

**ATTACHMENT 2
ALL FINANCIAL ACTIVITY
AS OF 12/31/2013**

Agy Fund	Project No	Project Title	GAAP Category Title	Budget	Expenditures	Intra-District Advance	Encumbrance Balance	Pre Encumbrance Balance	YTD Expenditures and 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			26,000.00	0.00	0.00	0.00	0.00	0.00	26,000.00
	ADMSEU	SEU CONTRACT ADMINISTRATION	PERSONNEL SERVICES	1,037,220.46	185,812.15	0.00	0.00	0.00	185,812.15	851,408.31
			NON-PERSONNEL SERVICES	962,779.54	-287.50	199.99	128,430.00	0.00	128,342.49	834,437.05
	ADMSEU			2,000,000.00	185,524.65	199.99	128,430.00	0.00	314,154.64	1,685,845.36
	EPD409**	WEATHERIZATION PLUS	PERSONNEL SERVICES	0.00	1,139.07	0.00	0.00	0.00	1,139.07	-1,139.07
			NON-PERSONNEL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	EPD409			0.00	1,139.07	0.00	0.00	0.00	1,139.07	-1,139.07
	NGG209**	HEATING SYSTEM REPAIR, REPLACE & TUNE UP	PERSONNEL SERVICES	0.00	5,810.97	0.00	0.00	0.00	5,810.97	-5,810.97
			NON-PERSONNEL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	NGG209			0.00	5,810.97	0.00	0.00	0.00	5,810.97	-5,810.97
	RERP09	RENEWABLE ENERGY INCENTIVES	NON-PERSONNEL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	RERP09			0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SEUCTR*	SEU CONTRACT	NON-PERSONNEL SERVICES	18,400,000.00	-1,720,021.94	0.00	20,120,021.94	0.00	18,400,000.00	0.00
	SEUCTR			18,400,000.00	-1,720,021.94	0.00	20,120,021.94	0.00	18,400,000.00	0.00
	SEUEMV*	SEU CONTRACT EM&V	PERSONNEL SERVICES	423,991.04	70,861.27	0.00	0.00	0.00	70,861.27	353,129.77
			NON-PERSONNEL SERVICES	1,176,008.96	-8,812.01	0.00	808,812.01	0.00	800,000.00	376,008.96
	SEUEMV			1,600,000.00	62,049.26	0.00	808,812.01	0.00	870,861.27	729,138.73
	SEURVW	SEU INDEPENDENT REVIEW OF PERFORMANCE	NON-PERSONNEL SERVICES	100,000.00	0.00	0.00	0.00	0.00	0.00	100,000.00
	SEURVW			100,000.00	0.00	0.00	0.00	0.00	0.00	100,000.00
6700				22,126,000.00	-1,465,497.99	199.99	21,057,263.95	0.00	19,591,965.95	2,534,034.05
EATF (6800)	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	62,201.31	17,424.62	0.00	0.00	0.00	17,424.62	44,776.69
			NON-PERSONNEL SERVICES	25,000.00	0.00	0.00	0.00	0.00	0.00	25,000.00
	ADMEA9			87,201.31	17,424.62	0.00	0.00	0.00	17,424.62	69,776.69
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	PERSONNEL SERVICES	163,545.13	38,141.32	0.00	0.00	0.00	38,141.32	125,403.81
			NON-PERSONNEL SERVICES	1,782,419.85	-1,564.57	0.00	28,940.77	0.00	27,376.20	1,755,043.65
	LID109			1,945,964.98	36,576.75	0.00	28,940.77	0.00	65,517.52	1,880,447.46
	LID209	RAD EXPANSION	PERSONNEL SERVICES	88,089.71	6,776.19	0.00	0.00	0.00	6,776.19	81,313.52
			NON-PERSONNEL SERVICES	62,092.25	589.00	0.00	2,844.69	0.00	3,433.69	58,658.56
	LID209			150,181.96	7,365.19	0.00	2,844.69	0.00	10,209.88	139,972.08
	LIG109	RES EXPANSION	NON-PERSONNEL SERVICES	201,000.00	0.00	0.00	0.00	0.00	0.00	201,000.00
	LIG109			201,000.00	0.00	0.00	0.00	0.00	0.00	201,000.00
6800				2,384,348.25	61,366.56	0.00	31,785.46	0.00	93,152.02	2,291,196.23
REDF (662)	NOPROJ	NO PROJECT INFORMATION	PERSONNEL SERVICES	774,122.50	67,633.75	0.00	0.00	0.00	67,633.75	706,488.75
			NON-PERSONNEL SERVICES	7,268,482.65	0.00	0.00	0.00	0.00	0.00	7,268,482.65
0662				8,042,605.15	67,633.75	0.00	0.00	0.00	67,633.75	7,974,971.40
Summary				32,552,953.40	-1,336,497.68	199.99	21,089,049.41	0.00	19,752,751.72	12,800,201.68

Note: *The negative expenditures in SEUCTR & SEUEMV are due to FY13 accrual reversals.

**The expenditures in EPD409 & NGG209 are due to prior appropriation year personnel cost accrual activity.

ATTACHMENT 3
Administrative Budget and Expenditures
1st Quarter- as of December 31, 2013

Fund	Project No	Project Title	PS/NPS Category	Budget	QUARTERLY ACTUAL EXPENDITURES				Total Year-to-Date Actual Expenditures
					Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
6700	ADMSEU	SEU CONTRACT ADMINISTRATION	PERSONNEL SERVICES	1,037,220.46	185,812.15				185,812.15
			NON-PERSONNEL SERVICES	26,500.	0.00				0.00
	ADMSEU Total			1,063,720.46	185,812.15				185,812.15
	EPD409*	WEATHERIZATION PLUS	PERSONNEL SERVICES	0.00	1,139.07				1,139.07
			NON-PERSONNEL SERVICES	0.00	0.00				0.00
				0.00	1,139.07				1,139.07
	NGG209*	HEATING SYSTEM REPAIR, REPLACE & TUNE UP	PERSONNEL SERVICES	0.00	5,810.97				5,810.97
			NON-PERSONNEL SERVICES	0.00	0.00				0.00
	NGG209 Total			0.00	5,810.97				5,810.97
	SEUEMV	SEU CONTRACT EM&V	PERSONNEL SERVICES	423,991.04	70,861.27				70,861.27
		NON-PERSONNEL SERVICES	0.	0.00				0.00	
SEUEMV Total			423,991.04	70,861.27				70,861.27	
SETF Total				1,487,711.5	263,623.46				263,623.46
6800	ADMEA9	EATF ADMINISTRATION	PERSONNEL SERVICES	62,201.31	17,424.62				17,424.62
			NON-PERSONNEL SERVICES	0.	0.00				0.00
	ADMEA9 Total			62,201.31	17,424.62				17,424.62
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	PERSONNEL SERVICES	163,545.13	38,141.32				38,141.32
			NON-PERSONNEL SERVICES	30,000.00	-1,564.57				-1,564.57
	LID109 Total			193,545.13	36,576.75				36,576.75
	LID209	RAD EXPANSION	PERSONNEL SERVICES	88,089.71	6,776.19				6,776.19
			NON-PERSONNEL SERVICES	0.00	0.00				0.00
	LID209 Total			88,089.71	6,776.19				6,776.19
	LIG109	RES EXPANSION	PERSONNEL SERVICES	0.00	0.00				
		NON-PERSONNEL SERVICES	1,000.00	0.00				0.00	
LIG109 Total			1,000.00	0.00					
EATF Total				344,836.15	60,777.56				60,777.56
662	NA	NA	PERSONNEL SERVICES	774,122.5	67,633.75				67,633.75
			NON-PERSONNEL SERVICES	10,000.	0.00				0.
REDF Total				784,122.50	67,633.75				67,633.75
Grand Total				2,616,670.15	392,034.77	0.00	0.00	0.00	392,034.77

Note: *The expenditures in EPD409 & NGG209 are due to prior appropriation year personnel cost accrual activity.

**ATTACHMENT 4
EXPENDITURE BY MONTH
1ST QUARTER- AS OF DECEMBER 31, 2013**

Agency Fund	Project Number	Project Title	BUDGET	Actual Expenditures			Total Expenditure
				October	November	December	
6700	ABOARD	SETF & EATF ADVISORY BOARD	26,000	0	0	0	0
	ADMSEU	SEU CONTRACT ADMINISTRATION	2,000,000	65,751	44,234	75,540	185,525
	EPD409*	WEATHERIZATION PLUS	0	24,650	-23,511	0	1,139
	NGG209*	HEATING SYSTEM REPAIR, REPLACE & TUNE UP	0	10,400	-5,257	668	5,811
	RERP09	RENEWABLE ENERGY INCENTIVES	0	0	0	0	0
	SEUCTR*	SEU CONTRACT	18,400,000	-3,747,106	0	2,027,084	-1,720,022
	SEUEMV*	SEU CONTRACT EM&V	1,600,000	-62,254	26,518	97,786	62,049
	SEURVW	SEU INDEPENDENT REVIEW OF PERFORMANCE	100,000	0	0	0	0
SETF Total			22,126,000	-3,708,559	41,984	2,201,077	-1,465,498
6800	ADMEA9	EATF ADMINISTRATION	87,201	7,954	3,779	5,691	17,425
	LID109	LIHEAP EXPANSION & ENERGY EDUCATION	1,945,965	12,309	11,371	12,898	36,577
	LID209	RAD EXPANSION	150,182	2,423	2,075	2,867	7,365
	LIG109	RES EXPANSION	201,000	0	0	0	0
EATF Total			2,384,348	22,686	17,225	21,456	61,367
0662	NA	NA	8,042,605	15,959	28,995	22,680	67,634
REDF Total			8,042,605	15,959	28,995	22,680	67,634
Grand Total			32,552,953	-3,669,915	88,204	2,245,213	-1,336,498

*Note: *The negative expenditures in projects EPD409, NGG209, SEUCTR & SEUEMV are due to FY13 accrual reversals.*