

NEEP's 2024 Regional Roundup provides a snapshot of Washington, DC's current policies and progress towards greater energy efficiency and building decarbonization.

Policies and performance are organized across the four categories from NEEP's 2024 report, <u>Decarbonizing Buildings: How States can</u> <u>Set the Table for Success</u>. The categories, or "legs of the table," include Utility Planning and Regulation, Codes and Standards, Carbon Reduction Obligations, and Equity and Workforce.



- The <u>DC Sustainable Energy Utility (DCSEU)</u>, which runs energy efficiency programs in the District, was established in 2008 and started operating programs in 2011. The DCSEU has since generated more than \$1.4 billion in lifetime customer energy savings.
- Washington, DC has strong greenhouse gas targets established through the <u>Carbon Free DC</u> plan, including 60 percent reduction by 2030 and net-zero emissions by 2045.
- Established in 2021, Washington DC's <u>Building Energy Performance Standards</u>
 (<u>BEPS</u>) aims to cut emissions across the buildings sector through targeted
 energy intensity reductions.
- Additionally, the <u>DCSEU's Affordable Housing Retrofit Accelerator</u> program
 offers tailored technical and financial assistance to affordable housing building
 owners as they prepare to comply with DC's BEPS policy. This program is a
 best practice for equitable outcomes as it provides a one-stop-shop service to
 make sure affordable housing residents are not left behind in the clean energy
 transition.



UTILITY PLANNING AND REGULATION

1 of 4



Utility Planning and Regulation identifies mandates and frameworks to ensure that utility investment, rates, and programs align with building decarbonization goals. This section includes a *Climate-Forward Energy Efficiency By-the-Numbers* table, which shows performance data for 2021 and current program goals for the state, an overview of policies the state has adopted to implement climate-forward energy efficiency programs, and any planning and regulation the state is pursuing to decarbonize the grid.

Climate-Forward Energy Efficiency by the Numbers		
	Washington, DC	Regional Average
Savings as a Percent of Retail Sales in 2021*	Electric: 0.65% Gas: 0.34%	Electric: 1.13% Natural Gas: .43%
Low Income Spending Per Qualified Resident in 2021*	\$30.76	\$36.00
Current Portfolio Goals	2022 – 2026 Portfolio-Wide Fuel-Neutral Goal†: 6,820,733 – 7,578,592 MMBtu 2022 – 2025 GHG Reduction Goal†: 471,901 – 524,334 MTCO2e per year	

^{*} Data from 2022 ACEEE State Scorecard.

Climate-Forward Energy Efficiency

Energy Efficiency Program Administrator	In 2008, Washington, DC enacted the Clean and Affordable Energy Act, which created the Sustainable Energy Trust Fund and authorized the creation of the <u>District of Columbia Sustainable Energy Utility (DCSEU)</u> . The DCSEU is currently implementing the <u>2022-2026 Plan</u> . The DCSEU is operated by a third-party implementer who works on a contract basis with DC's Department of Energy and Environment (DOEE) to implement energy efficiency programs.
Program Goals	The DCSEU 2022-2026 Plan establishes the following goals: • 6.82 – 7.58 million MMBtu savings over five years • 4.5 -5% over 5 years or 1% (471,901 – 524,334 MTCO2e) per year • Minimum spending of 30% in low-income communities • Creation of 66 – 88 full time jobs annually • Limit administrative spending to 20% of budget • Spend 35% of contract funds with Certified Business Enterprises • Achievement of 30% energy savings through deep energy retrofit projects in a minimum of 70 and a maximum of 100 buildings
Benefit Cost Analysis	Base test: Societal Cost Test Non-energy impacts: CO2, NOx, comfort, health and safety, and economic benefits, and a 10 percent adder for low-income benefits.

[†] Data from DCSEU Multiyear Contract, 2022-2026.



UTILITY PLANNING AND REGULATION

2 of 4



Utility Planning and Regulation identifies mandates and frameworks to ensure that utility investment, rates, and programs align with building decarbonization goals. This section includes a *Climate-Forward Energy Efficiency By-the-Numbers* table, which shows performance data for 2021 and current program goals for the state, an overview of policies the state has adopted to implement climate-forward energy efficiency programs, and any planning and regulation the state is pursuing to decarbonize the grid.

Climate-Forward Energy Efficiency by the Numbers		
	Washington, DC	Regional Average
Savings as a Percent of Retail Sales in 2021*	Electric: 0.65% Gas: 0.34%	Electric: 1.13% Natural Gas: .43%
Low Income Spending Per Qualified Resident in 2021*	\$30.76	\$36.00
Current Portfolio Goals	2022 – 2026 Portfolio-Wide Fuel-Neutral Goal†: 6,820,733 – 7,578,592 MMBtu 2022 – 2025 GHG Reduction Goal†: 471,901 – 524,334 MTCO2e per year	

^{*} Data from 2022 ACEEE State Scorecard.

Climate-Forward Energy Efficiency

Utility Performance Incentives	The DCSEU earns <u>performance incentives</u> from a pool of funding allocated prior to the start of every cycle. The performance incentive is for achieving MMBtu savings, GHG emissions reduction, energy efficiency and renewable projects in low-income housing, job generation, completion of deep energy retrofits in commercial and multifamily buildings and increasing renewable energy generation capacity.
Fuel Switching Policies	The <u>Clean Energy DC Omnibus Amendment Act</u> removed previous restrictions on fuel switching and allocating funds between gas and electric programs. The DCSEU's current <u>contract</u> enables the DCSEU to claim energy savings from fuel switching, as the savings goals are measured in fuel-neutral units (MMBtu), provided that the measure passes the Societal Cost Test.
Qualified Contractor Network	No current policies in place.

[†] Data from DCSEU Multiyear Contract, 2022-2026.



WASHINGTON, DC

UTILITY PLANNING AND REGULATION

3 of 4



Utility Planning and Regulation identifies mandates and frameworks to ensure that utility investment, rates, and programs align with building decarbonization goals. This section includes a *Climate-Forward Energy Efficiency By-the-Numbers* table, which shows performance data for 2021 and current program goals for the state, an overview of policies the state has adopted to implement climate-forward energy efficiency programs, and any planning and regulation the state is pursuing to decarbonize the grid.

Climate-Forward Energy Efficiency by the Numbers		
	Washington, DC	Regional Average
Savings as a Percent of Retail Sales in 2021*	Electric: 0.65% Gas: 0.34%	Electric: 1.13% Natural Gas: .43%
Low Income Spending Per Qualified Resident in 2021*	\$30.76	\$36.00
Current Portfolio Goals	2022 – 2026 Portfolio-Wide Fuel-Neutral Goal†: 6,820,733 – 7,578,592 MMBtu 2022 – 2025 GHG Reduction Goal†: 471,901 – 524,334 MTCO2e per year	

^{*} Data from 2022 ACEEE State Scorecard

Climate-Forward Energy Efficiency

Centering Equity in Climate-Forward Efficiency Programs

- <u>DCSEU is required to spend a minimum of 30%</u> of efficiency program budget in low-income communities
- <u>Income Qualified Efficiency Fund</u> provides technical assistance, direct control services, and incentives at multifamily properties in Washington, DC.
- DCSEU's Affordable Housing Retrofit Accelerator program offers enhanced technical and financial assistance to owners and managers of qualifying affordable multifamily buildings that do not meet the District's Building Energy Performance Standards (BEPS). The District's Affordable Housing Retrofit Accelerator program helps MFAH building owners understand the BEPS, find additional energy saving opportunities and resources, and prepare for compliance with BEPS requirements.
- The Certified Business Enterprises Program prioritizes small local businesses that are headquartered in Washington, DC.
- The <u>DCSEU operates an externship program</u> for energy-related careers. The program is a five-month paid green externship in which DC residents can gain experience working with local contractors and other organizations. The program offers specific wrap-around services to alleviate external barriers.

[†] Data from DCSEU Multiyear Contract, 2022-2026.



UTILITY PLANNING AND REGULATION

4 of 4



Utility Planning and Regulation identifies mandates and frameworks to ensure that utility investment, rates, and programs align with building decarbonization goals. This section includes a *Climate-Forward Energy Efficiency By-the-Numbers* table, which shows performance data for 2021 and current program goals for the state, an overview of policies the state has adopted to implement climate-forward energy efficiency programs, and any planning and regulation the state is pursuing to decarbonize the grid.

Climate-Forward Energy Efficiency by the Numbers		
	Washington, DC	Regional Average
Savings as a Percent of Retail Sales in 2021*	Electric: 0.65% Gas: 0.34%	Electric: 1.13% Natural Gas: .43%
Low Income Spending Per Qualified Resident in 2021*	\$30.76	\$36.00
Current Portfolio Goals	2022 – 2026 Portfolio-Wide Fuel-Neutral Goal [†] : 6,820,733 – 7,578,592 MMBtu 2022 – 2025 GHG Reduction Goal [†] : 471,901 – 524,334 MTCO2e per year	

^{*} Data from 2022 ACEEE State Scorecard.

Long-Term Planning

Clean Heat and Building Decarbonization Programs	No current policies in place.
Long-Term Utility Planning	No current policies in place.

[†] Data from DCSEU Multiyear Contract, 2022-2026.



WASHINGTON, DC

CODES AND STANDARDS

1 of 2



Codes and standards establish a clear timetable for improving the energy performance of new and existing buildings, appliances, and equipment, spurring changes in technologies and building practices.

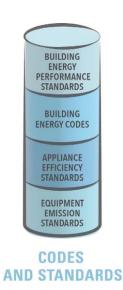
The Regional Roundup provides additional information on policies in this area that operate at the city level to highlight how communities are taking the lead. Programs such as benchmarking and home energy labeling programs are also included, even when just voluntary, as they can be a precursor for BPS or mandatory home energy score programs.

Building Energy Codes	Washington, DC adopted the 2015 IECC. The Energy Conservation Code is effective as of May 29, 2020 The District is actively working on adopting the 2021 IECC. Additionally, in 2022, the District passed the Clean Energy DC Building Code Amendment Act of 2022 requiring that all buildings constructed or substantially improved after December 31, 2026 must adhere to a net zero energy standard. substantially improved after December 31, 2026 must adhere to a net zero energy standard.
Stretch Energy Codes	No current policies in place.
Building Performance Standards	Washington, DC passed the <u>first Building Energy Performance Standard</u> in the country with the passage of <u>Clean Energy DC Omnibus Act of 2018</u> . The <u>first BEPS compliance cycle</u> ends on December 31, 2026. The standard is based on weather-normalized source energy use intensity. The current BEPS compliance cycle covers private buildings of at least 50,000 square feet and government-owned buildings of at least 10,000 square feet. DCSELI's Affordable Housing Potrofit Associarator program offers enhanced.
	 DCSEU's Affordable Housing Retrofit Accelerator program offers enhanced technical and financial assistance to owners and managers of qualifying affordable multifamily buildings that do not meet the District's Building Energy Performance Standards (BEPS). The District's Affordable Housing Retrofit Accelerator program helps MFAH building owners understand the BEPS, find additional energy saving opportunities and resources, and prepare for compliance with BEPS requirements.
	Washington, DC has minimum energy performance standards for state- housing-agency funded projects.

WASHINGTON, DC

CODES AND STANDARDS

2 of 2



Codes and standards establish a clear timetable for improving the energy performance of new and existing buildings, appliances, and equipment, spurring changes in technologies and building practices.

The Regional Roundup provides additional information on policies in this area that operate at the city level to highlight how communities are taking the lead. Programs such as benchmarking and home energy labeling programs are also included, even when just voluntary, as they can be a precursor for BPS or mandatory home energy score programs.

Benchmarking	 The <u>Clean and Affordable Energy Act of 2008</u> requires municipal buildings of 10,000 sq ft or larger and commercial and multi-family buildings of 50,000 sq ft or larger to benchmark their energy and water consumption. The <u>Clean Energy DC Omnibus Amendment Act of 2018</u> lowered the building square footage threshold. It decreased to 25,000 sq ft in 2023 and will decrease to 10,000 sq ft in 2026.
Home Energy Labeling	No current policies in place.
Appliance Efficiency Standards	In 2020, Washington, DC updated the <u>Energy Efficiency Standards Act</u> through the <u>Energy Efficiency Standards Amendment Act of 2020</u> . This act established the District Appliance Efficiency Standards program to implement standards for 15 appliance categories. For information on which appliances are covered, see <u>NEEP's Federal and State Appliance Standards Tracker</u> .
Equipment Emission Standards	No current policies in place.



CARBON REDUCTION OBLIGATIONS



Carbon reduction obligations set performance requirements for obligated parties, such as energy providers, to reduce carbon emissions or install clean heating systems. This section also includes any policies that articulate statewide climate goals and involvement in a regional cap and invest program because both programs are aligned with the policies under carbon reduction obligations and can be a part of a future clean heat standard or statewide cap and invest.

Climate Goals	The Carbon Free DC Plan requires GHG emissions to be reduced by 60% by 2030, 70% by 2035, 80% by 2040 and carbon neutral by 2045 (2006 baseline).
Clean Heat Standard	No current policies in place.
Regional Cap-and- Invest	No current policies in place.
State Cap-and-Invest	No current policies in place.
Centering Equity in Carbon Reduction Obligations	No current policies in place.

EQUITY AND WORKFORCE

1 of 2



Equity and workforce investments address housing and workforce inequities by empowering historically marginalized communities and ensuring that the energy transition is just and inclusive. This section includes policies that prioritize community empowerment through defining environmental justice communities and/ or convening community members to have meaningful input on climate and energy policies in the state. It also highlights any statewide goals or metrics that mandate programs to deliver a certain level of benefits to communities. Finally, it provides a snapshot of the inclusive workforce programs and policies within each state.

Statewide Equity Initiatives

Community Empowerment	Washington, DC's sustainability plan, <u>Sustainable DC 2.0</u> , embeds several equity goals throughout the plan. These include creating an <u>Equity Impact Committee</u> for the District. This committee will include members of the private, public, and nonprofit sectors, and will monitor the Sustainable DC 2.0 plan implementation. It will also develop equity-focused metrics to track as the plan is implemented.
Metrics and Goals	 The DCSEU must meet multiple goals that focus on furthering equitable outcomes in energy efficiency programs: Minimum spending of 30% in low-income communities Creation of 66 – 88 full time jobs annually Spend 35% of contract funds with Certified Business Enterprises. The Certified Business Enterprises Program prioritizes small local businesses that are headquartered in DC.
Home Upgrade Hubs	No current policies in place.

WASHINGTON, DC

EQUITY AND WORKFORCE

2 of 2



Equity and workforce investments address housing and workforce inequities by empowering historically marginalized communities and ensuring that the energy transition is just and inclusive. This section includes policies that prioritize community empowerment through defining environmental justice communities and/ or convening community members to have meaningful input on climate and energy policies in the state. It also highlights any statewide goals or metrics that mandate programs to deliver a certain level of benefits to communities. Finally, it provides a snapshot of the inclusive workforce programs and policies within each state.

Inclusive Workforce Investment

Inclusive Workforce Development

- The DCSEU offers a no cost training, credentialing, and certification program
 the <u>Train Green Sustainable Energy Infrastructure Capacity Building and
 Pipeline Program</u> (Train Green SEICBP). This program is designed to assist
 Certified Business Enterprises to acquire new and enhanced skills around
 energy efficiency and renewable energy design, construction, inspection,
 and maintenance.
- The <u>DCSEU operates an externship program</u> for energy-related careers. The program is a five-month paid green externship in which DC residents can gain experience working with local contractors and other organizations. The program offers specific wrap-around services to alleviate barriers outside of the requirements of the job, such as lack of childcare, attaining a driver's license or other access to transportation, and ensuring stable housing.



WASHINGTON, DC'S BUILDING DECARBONIZATION TABLE

UTILITY PLANNING AND REGULATION



DCSEU Energy Efficiency Program

EQUITY AND WORKFORCE



Equity Impact

Committee ble Housing
Retrofit

Accelerator
Program

CARBON REDUCTION OBLIGATIONS



Climate Goals

CODES AND STANDARDS



Building Energy
Performance
Standards
Appliance Efficiency
Standards