

**FY 2022 Pre-Hearing Budget Questions**  
***Department of Energy and the Environment***

***Operating Budget***

1. Please provide a crosswalk of all FTEs that were reclassified to a different activity in the FY 2022 proposed budget.

See attachment QO1.

2. The FY 2021 budget reduced funding for several programs due to pandemic-related budget constraints. Do any of these programs remain suspended or reduced?

Under the Mayor’s proposed FY22 budget, all DOEE programs reduced due to pandemic budget constraints will once again be operating at full capacity, except that funding was not restored for a second indoor mold inspector. DOEE still has one mold inspector, hired last year, who is responding to mold complaints for the agency.

3. Please provide a breakdown of federal relief funds received by the agency, broken down by fiscal year, program and activity, and the funds’ intended use by the agency.

Below is a breakdown of the federal relief and ARP local revenue replacement funds allocated to DOEE in the Mayor’s proposed FY 22 budget:

<b>Program/Activity</b>	<b>ARP FTEs</b>	<b>ARP Funding</b>	<b>ARP Local Fund Replacement</b>	<b>ARP Local Fund Replacement FTEs</b>
<b>2080 - Watershed Protection Division</b>	<b>3.00</b>	<b>8,087,895.00</b>	<b>\$257,000</b>	
Dump Busters	-	-	\$25,000	
Green Infrastructure Maintenance	3.00	8,087,895.00		
Kingman Rangers	-	-	\$232,000	
<b>6000 - BEPS (spread across various activity codes within the Energy Program, we will be seeking technical corrections to reflect intended allocations to BEPS (6050))</b>	<b>3.00</b>	<b>31,785,018.00</b>	<b>\$429,000</b>	<b>4 FTEs</b>
BEPS - Affordable Housing Retrofits (DCHA)	3.00	5,180,875.00		
BEPS - Affordable Housing Retrofits (DHCD)	-	10,000,000.00		
BEPS - DOEE Program Administration	-	-	\$429,000	4 FTEs
BEPS - Energy Audit and Predevelopment Grants (DCSEU)	-	8,244,844.00		
BEPS Construction Loans (Green Bank)	-	8,359,299.00		
<b>6010 - Energy Efficiency and Conservation</b>	<b>4.00</b>	<b>9,000,000.00</b>		
Home Weatherization	3.00	4,000,000.00		
Supplement to HUD grant for lead and mold remediation at low-income properties	1.00	5,000,000.00		

<b>6060 - Solar for All</b>	<b>1.00</b>	<b>22,000,000.00</b>	<b>\$500,000</b>	<b>4 FTEs</b>
Solar for All (DOEE Administration)	-	-	\$500,000	4 FTEs
Solar for All (CREFs on private property)	-	15,000,000.00		
Solar for All (Public Facilities CREFs)	-	4,000,000.00		
Solar Works DC	1.00	3,000,000.00		
<b>6080 - Lead Pipe Replacement</b>	<b>-</b>	<b>10,000,000</b>		
<b>TOTAL</b>	<b>11.00</b>	<b>80,872,913.00</b>	<b>1.86 Million</b>	<b>8 FTEs</b>

- The agency's budget includes at least 19.0 FTEs funded using federal relief funds. Are these intended to be temporary term workers, or is the agency hoping to identify local dollars to make these positions permanent in the future?

DOEE's proposed FY22 Budget includes 11.00 FTEs funded with American Rescue Plan (ARP) federal funding and 8.00 FTEs funded with ARP Local Revenue Replacement funds. These positions are planned as term positions to match the execution of the planned scheduled work of each project or program that will receive ARP funding.

- Please explain why there is a \$19,870,000 increase in CSG 11 (regular pay), a 79% increase over FY 2021, even though the agency only has a 6.7% increase in FTEs?

This is ARP funding that is budgeted in CSG 11 incorrectly. Approximately 97 percent of this amount should be budgeted in NPS. We are working on submitting a technical correction to budget these funds as they would be spent for the ARP funded projects.

- Please explain \$119,000 increase in Telecommunications, a 91% increase over FY 2021 levels. Is this to account for increases in telework?

In FY22, our increase in telecommunications spending will primarily be used to purchase and install new equipment to upgrade two DOEE conference rooms to facilitate video conferencing, including improved sound quality and visual displays. Our current equipment does not provide the level of telecommunications needed, and prior to the shut down in March 2020, DOEE obtained quotes on upgrades.

- Please explain the \$11,051,000 increase in other Services and Charges, a 138.7% increase of FY 2021 approved levels. What services will these funds cover?

This funding covers payments for Solar for All projects under the SEU Contract and other professional services for printing, training and

development, conference fees, memberships, studies, etc. In FY21 some of these costs are reflected in CSG 41, which has \$7.7M budgeted in FY 21 but zero in the proposed FY22 budget.

CSG	Comp Object	Amount	Purpose
40	401	2,000.00	Local travel
40	402	15,000.00	Out of city travel
40	408	275,000.00	Funding for studies to support filing and involvement in PSC regulatory actions.
40	411	10,000.00	Printing
40	419	10,000.00	Tuition
40	424	10,000.00	Conference fees
40	425	30,000.00	Membership dues
40	441	150,000.00	LIHEAP/SFA software maintenance
40	442	30,000.00	Hardware/copier maintenance: Xerox contract CW49768
40	408	11,821,012.00	DCSEU contract (\$10M), DGS Roof Repair MOU (\$800k), SFA Subscriber Management (\$350k), DCRA MOU (\$155k), SFA and Market Rate Solar Communication Materials (\$225k), CEDC Act Contracts (\$130k), Future of Solar Studies and Climate Ready DC studies (\$100k)

8. Please provide a detailed spending plan for unexpended funds in the Renewable Energy Development Fund (REDF), Sustainable Energy Trust Fund (SETF), and Stormwater Permit Review Fund (SPRF), and funds expected to be received in the REDF, SETF, and SPRF in FY 2021 and FY 2022.

See attachments QO8-1 REDF; QO8-2 SETF; and QO8-3 SPRF.

9. Please provide information about the following changes in (2000) Natural Resources:

- a. For the proposed \$1.9 million increase in (2070) Water Quality:
  - i. Please provide a breakdown of the funding source of this increase.

- \$152,150 of the increase is from the 21EVCA grant (EPA Clean Water administration)
- \$501,350 is from the 21EVSD grant (EPA Safe Drinking Water administration). This was previously sent directly to Army Corps from EPA, but is now passed through from us.
- The balance of the increase is from the Stormwater Enterprise Fund (0654)

- ii. Please provide a breakdown of how these funds will be used, including CSGs.

- \$773,541 of increase is in 0409 for investigating or studying water quality, including:
  - Total maximum daily load (TMDL) studies
  - Bacteria forecasting modeling

- Per- and polyfluoroalkyl substances (PFAS) / emerging contaminant studies
  - U.S. Geological Survey (USGS) fine scale mapping / StreamStats
  - Investigating causes of water quality impairments
- Approximately \$1,000,000 of increase is in 0506 grants/agreements, including:
    - \$501,350 for Safe Drinking Water administration
    - \$152,150 for Clean Water Administration
    - \$200,000 increase for increases to DC Water stormwater fee billing and collection costs
    - \$195,000 for a U.S. Fish and Wildlife Service (USFWS) fish tissue study and EPA lab co-location costs
  - Approximately \$180,000 of increase is for salary and fringe in 0011, 0012, and 0014
    - iii. Please also indicate whether this increase restores the \$873,000 reduction in the FY 2021 budget and whether services will be resumed at normal levels.

Increases will restore reductions from the FY21 budget as well as funding for projects put on hold in FY20 at the start of the public health emergency. The FY22 budget should restore normal level of service.

- b. For the proposed \$8.7 million increase at (2080) Watershed Protection:
  - i. Please provide a breakdown of the funding source of this increase.

This increase is primarily from American Rescue Plan Funding (approximately \$8.09 million), and a smaller increase in local funds.

- ii. Please provide a breakdown of how these funds will be used, including CSGs. As part of this breakdown, please indicate whether this increase restores the FY 2021 reductions to RiverSmart Rooftops, Pollution Prevention MOUs, and other stormwater management grant programs, and whether services will be resumed at normal levels.

See the tables below. These are new funds primarily being used for a new program to maintain green infrastructure, they are not being used to restore FY21 reductions; however, the RiverSmart Rooftops grant has been restored.

Agency Code	Transaction Type	Description of Adjustment(s)	Comp Object	Amount (\$)
KGO	Grant	Grants for Green Infrastructure Maintenance Training	506	\$630,000.00
KGO	Grant	Grants for the Maintenance of Green Infrastructure	506	\$1,100,000.00
KGO	Contract	Contracts for the Maintenance of Green Infrastructure	409	\$5,940,000.00
KGO	Agency Purchases	Supplies for Maintenance of GI Sites by GI Staff (plant material, signs, mulch, stone, sand, media)	210	\$19,000.00
KGO	Agency Purchases	Tools for Maintenance of GI Sites by GI Staff	211	\$1,000.00
KGO	Agency Purchases	Vehicle for Green Infrastructure Maintenance Team	703	\$60,000.00
				<b>\$7,750,000.00</b>

Position Title	Comp Object	FTE	Salary
Supervisory Environmental Protection Specialist	111	1	\$107,843.00
Supervisory Environmental Protection Specialist	147		\$26,048.00
Environmental Protection Specialist	125	1	\$82,362.00
Environmental Protection Specialist	147		\$19,640.00
Environmental Protection Specialist	125	1	\$82,362.00
Environmental Protection Specialist	147		\$19,640.00
		<b>3</b>	<b>\$337,895.00</b>

- iii. The proposed budget includes 3 new FTEs for this Activity. What will their roles be?

The three new FTEs will be overseeing the newly established green infrastructure maintenance program funded in FY22.

- c. For the proposed \$1.167 million increase at (2095) Regulatory Review:
- i. Please provide a breakdown of the funding source of this increase.

These increases all come from SPR funds or federal grant funds, including:

- Federal Emergency Management Agency (FEMA) Floodplain Program Grants: \$177,454
- EPA Chesapeake Bay Regulatory and Accountability Program Grant (17EVRA): \$83,521
- EPA Wetlands Program Grant: \$55,211
- CRIAC Non-Profit Relief increase: \$153,408
- Stormwater Erosion and Sediment Control SPR Fund 0634: \$131,099
- Stormwater SPR Fund 0646: \$650,577
- Wetlands SPR Fund 0667: \$187,713
- Payment from DC Water SPR 0680: \$12,502

ii. Please provide a breakdown of how these funds will be used, including CSGs.

- Regular Pay (0011, 0012): \$889,394
- Fringe Benefits (0014): \$259,084
- Computer hardware purchase and Software Licenses (0070): \$18,500

iii. Please indicate whether this increase restores the \$782,000 reduction in the FY 2021 budget and whether services will be resumed at normal levels.

Yes, this will allow full staff capacity.

iv. The proposed budget includes 2 new FTEs for this Activity. What will their roles be?

There is no proposed increase in FTEs for this Activity; these FTEs should have been assigned to a different Activity. DOEE is pursuing technical corrections related to this.

d. For the proposed \$286,000 increase in (2065) Inspection and Enforcement:

i. Provide a breakdown of the funding source of this increase.

The increase was primarily from funding source 634, Stormwater Erosion and Sediment Control SPR.

ii. This increase does not appear sufficient to restore the FY 2021 reductions to this activity. Please indicate how these funds will be used, including CSGs, and whether the reductions to MS4 Enforcement and Compliance, Industrial Stormwater Enforcement and Compliance, and Illicit Discharge

Investigation Contract Support Program will be resumed at normal levels.

This increase restores reductions made to personnel budget for vacancies in FY21 in CSG Regular Pay (0011, 0012) and fringe benefits (0014). The FY22 budget restores full program activities to their previous levels and operations will resume at normal levels.

- iii. The proposed budget cuts 1 FTE in this Activity. What is this position and why is it being cut?

There were no actual cuts in FTEs. A technical mistake in FY21 allocated 31 FTEs in this Activity instead of 30.

- e. For the \$136,000 decrease in (2030) Fisheries and Wildlife:
  - i. What the source of this decrease and it will it affect services?

This reduction was in comp object 0506 for the wildlife rehabilitation grant. DOEE intends to fund this grant with special purpose revenue to maintain services.

- ii. The FY 2021 budget reduced this Activity by \$129,000. Are services at normal levels?

Yes, FY21 services are at a normal level. Special purpose revenue was utilized to fully fund the wildlife rehabilitation grant to make up for the reduction in local funding in FY21.

10. Please provide information about the following changes in (3000)

Environmental Services:

- a. The agency's FY 2022 budget includes \$7.469 million for (3090) Lead-Safe and Healthy Housing, a \$2.9 million increase over approved FY 2021.
  - i. Please provide a breakdown of the funding source of this increase.

The increase in (3090) is in:

- CSG 0041 - Contractual Services - \$1,176,55.99
- CSG 0050 - Subsidies and Transfers - \$1,726,409.00

- ii. Please provide a breakdown of how these additional funds will be used. As part of this response, please indicate whether the reductions in (3090) in FY 2021 were restored (including the Lead Registry Program, the Child Development Facility Water

Filter Program, and the Mold Inspector Program) and whether services will resume at normal levels.

The reductions in (3090) were restored, except for funding for the second mold inspector, who was never hired. The Lead Registry Program, Child Development Facility Water Filter Program, and Mold Inspector Program services will continue at normal levels for FY 2022. The \$1,726,409.00 (0050/0504) Subsidies and Transfers funds are incorrectly loaded. These funds are for the Lead Pipeline Replacement program within DOEE's Energy Administration. **See attachment QO10.a.ii** for a breakdown of the \$1,176.55.99 additional funding in this program.

- iii. The proposed budget includes 1.2 additional FTEs for this Activity. What will their roles be?

The additional 1 FTE is for one (1) full-time Green Fellow position and the .25 FTE is to partially fund a DOEE IT Specialist to provide IT services for the lead and healthy housing program.

- b. For the \$1.2 increase in (3080) Air Quality:
  - i. Please provide a breakdown of the funding source of this increase.

The increase comes from various funding sources including:

- Increased air quality permit fees as a result of new regulations (\$280k)
- New EPA grants to support AQD projects (\$730k)
- Volkswagen (VW) funding remaining from FY21 due to project delays (\$250k)

- ii. Please provide a breakdown of how these additional funds will be used, including CSGs.

**See attachment QO10bii.** Additional air permit fees and VW funding are offsetting reductions in local funding to the total Air Quality Division budget.

- iii. The proposed budget adds 2 new FTEs to this Activity. What will their roles be?

New positions being filled are a new Planning and Assessment Branch Chief (Grade 14) and a new permit writer (Grade 9).

- c. For the \$801,000 increase in (3050) Toxic Substances:
  - i. Please provide a breakdown of the funding source of this increase.



In FY21, the NPS budget for the Toxic Substances Division was not loaded until later in the year. This NPS shortfall, in addition to an increase in grant funds from Department of Defense and EPA Brownfields funding for the Land Remediation Branch created the apparent increase of \$801,000 between FY21 and FY22. The actual increase in the FY22 TSD budget is \$111,826.15 (FY21 vs FY22).

- ii. Please provide a breakdown of how these additional funds will be used, including CSGs.

The following is a breakdown of the \$111,826.15 difference:

- \$90,000 - CSG 0041 from SPR S0663
- \$21,826.15 - DoD and Brownfield 128a Grants

11. While many programs across the agency's budget see larger funding increases, (5000) Community Relations' budget is unchanged. This division's responsibilities include communication, community engagement, and outreach on agency programs and services. What effect does this division's budget—and lack of increase—have on DOEE's ability to undertake effective communications campaigns on the various programs and services enhanced in this budget?

Community Relations FTEs are funded by several programs across the agency, with a small amount of local funding as well. For the most part, programs have money in their own budgets to cover their communications expenses, and Community Relations staff facilitates the spending.

12. Please provide information about the following changes within (6000) Energy:
  - a. For the proposed \$27,786 increase and 10 new FTEs in (6010) Energy Efficiency and Conservation:

The ARP funds and FTEs in 6010 were loaded incorrectly, and DOEE is pursuing a technical correction. 6010 should have a \$9 million proposed increase and 6 new FTEs. The funding source of this increase is \$9 million increase is federal ARP funds.

- i. Please provide a breakdown of the funding source of this increase.

Approximately \$5 million of these funds will be used for the expansion of DOEE's U.S. Department of Housing and Urban Development (HUD) Lead Hazard Control program; approximately \$4 million will be used for the expansion of the weatherization program.

- ii. Please provide a description of how these additional funds will be used, including CSGs.

Weatherization program:

- PS: \$247K
- CSG 506: \$3.72M
- CSG 408: \$32,463.76

HUD Lead/Mold Expansion:

- PS: \$82K
- CSG 506: \$4.83M
- CSG 408: \$54,488
- CSG 210: \$5,000
- CSG 441: \$14,000
- CSG 710: \$14,000

- iii. The proposed budget adds 10 new FTEs to this Activity. What will their roles be? If these positions are funded by ARPA, how are the positions funded given that the funds are not recurring?

The ARP FTEs in 6010 were loaded incorrectly, and DOEE is pursuing a technical correction. 6010 should have 6 new FTEs. Four of the FTEs are funded by ARP, which will provide program support for the expansion of the weatherization and lead hazard control programs. With the expected expansion of resources for weatherization and lead hazard control in the District, DOEE will work to identify alternate sources of funding to maintain these positions after the depletion of ARP funds.

- b. For the proposed \$4.5 million reduction to (6030) Energy Assistance Benefit Payments:

- i. The narrative states that there is a decrease of \$2.4 million to align the budget with the LIHEAP Energy Assistance Benefit. Please explain.

This reduction is to align the amount of local funding for energy assistance in order to account for the additional FY21-FY22 supplemental LIHEAP funds of \$14M.

- ii. What is the additional \$2.1 million reduction? Will there be a reduction in services?

This reduction is in local funds. With the allocation of a supplemental LIHEAP grant of \$14 million in FY21, which extends to 9/30/22, as well as

other resources for utility assistance such as the Emergency Rental Assistance Program and the Homeowner's Assistance Program, the overall amount of utility assistance in the District will be greatly expanded in FY22. There will not be a reduction in services.

- c. For the proposed \$17.878 million increase and 2 new FTEs in (6050) Data and Benchmarking:
  - i. Please provide a breakdown of the funding source of this increase.

The funding for 6050 (Data and Benchmarking Division) was loaded incorrectly, and DOEE is pursuing a technical correction. 6050 should have a proposed increase of \$42,213,720.00 and 4 new FTEs. The funding source of this increase is federal ARP funds. The following table details how the funding will be spent.

<b>Program</b>	<b>Amount</b>	<b>Description</b>
DC Green Bank (Green Finance Authority)	\$ 10,000,000.00	SETF Transfer of funds per the CEDC Act
BEPS Construction Loans (DC Green Bank)	\$ 8,359,299.00	Funding to support “under-resourced” buildings (senior care facilities, K-12 schools, houses of worship, etc.) that need help with BEPS compliance. The funding will be used by the DC Green Bank in partnership with DOEE to ensure these projects can secure favorable construction loans for upgrades.
DHCD Affordable Housing BEPS support through the DCSEU	\$ 10,000,000.00	DOEE, in partnership with DHCD, will send funding to the DCSEU to support energy efficiency retrofits in affordable housing for compliance with the first BEPS compliance period, effectively keeping those building owners from having to come to DHCD for additional financing and clogging up the affordable housing financing pipeline. In parallel, DHCD will require multi-cycle BEPS compliance design for projects that are coming in for financing, ensuring 15-20 year compliance.

DCHA Affordable Housing BEPS Support	\$ 5,180,875.00	Supports long-term BEPS compliance in the DCHA portfolio through energy efficiency investments and hiring of supporting staff (3 FTEs).
BEPS Predevelopment grants Under-resourced buildings BEPS compliance support (pre-development grants) through the DCSEU	\$ 8,244,844.00	Funding to support “under-resourced” buildings (senior care facilities, K-12 schools, houses of worship, etc.) that need help with BEPS compliance. The grants will focus on pre-development work that will allow the project to secure a favorable construction loan (e.g. energy audit, design, engineering, energy modeling)
BEPS Administrative Support	\$ 428,702.00	To hire 4 FTEs supporting the BEPS ARP programs, and BEPS in general.

- ii. Please provide a breakdown of how these additional funds will be used.

See table in response to previous question.

- iii. The proposed budget adds 2 FTEs to this Activity. What will their roles be? If these positions are funded by ARPA, how are the positions funded given that the funds are not recurring?

The proposed budget should have added 4 FTEs to the Data and Benchmarking Division. The 4 FTEs will be hired to support the successful rollout of the BEPS ARP programs and BEPS in general.

- d. For the proposed \$29.272 million increase in (6060) Policy and Compliance:
  - i. Please provide a breakdown of the funding source of this increase.

The funding for 6060 was loaded incorrectly, and DOEE is pursuing a technical correction. 6060 should have a 27.74 million proposed increase and 14 new FTEs. The funding source of this increase is \$22 million in ARP funds, \$0.500 million increase in ARP local replacement funds, and a \$5.240 million increase in O-type.

- ii. Please provide a breakdown of how these additional funds will be used.

The \$22 million increase in ARP funds will be used to implement Solar Works DC (\$3.0 million), contract with the DCSEU to build CREF's on private property (\$15.0 million), and work with sister agencies to build CREFs on public property (\$4.0 million). The \$0.500 million increase for ARP local replacement funds will be used to administer ARP funds; the \$5.24 million increase in O-type will be used to capitalize the DC Green Bank to the fullest extent possible (up to the \$7 million per year maximum transfer), and pursue new clean energy projects.

- iii. The proposed budget adds 17 FTEs to this Activity. What will their roles be? If these positions are funded by ARPA, how are the positions funded given that the funds are not recurring?

As described above, there are actually 14 new FTEs in this Activity. 4 FTE are added from ARP local replacement for ARP fund oversight and support; 1 FTE is added from ARP funds for Solar Works DC; 9 FTEs are added from the REDF for recruiting beneficiaries for Solar for All, administering the GreenWrench program, and conducting CEDC program development and communication and outreach.

- e. For the proposed \$10.679 million increase in (6080) Lead Pipe Replacement:
  - i. Please provide a breakdown of the funding source of this increase. If federal funding is incorporated into this activity, where has the agency loaded the remaining \$2.5 million in federal funds for lead line replacements?

The funding for 6080 was loaded incorrectly, and DOEE is pursuing a technical correction. 6080 budget should have an \$8.429 million proposed increase and 1 new FTE. The \$2.25 million ARP funds that were allocated to the 6080 budget in error will be transferred to the Building Energy Performance Standards (BEPS) FY22 budget.

- ii. Please provide a breakdown of how these additional funds will be used.

Of the \$10.279 million total 6080 budget, DOEE's administrative costs account for approximately \$195,000 or 2%. These administrative costs account for the 2 FTE's salaries and fringe benefits as well as the supplies, software and equipment needed to administer the programs. The remaining \$10.084 million will be disbursed to DC Water to replace lead service lines through the Lead Pipe Replacement Assistance Program (LPRAP) and the Capital Improvement Projects and Emergency Repair and Replacement (CIPERR) program.

Per DOEE's FY21 MOU with DC Water, at least 75% of costs incurred under LPRAP must be reserved for direct relief to residents. 25% of costs under LPRAP can be used for DC Water administrative costs, of which 15% can be used to support direct costs and 10% can be used to support indirect costs.

For CIPERR, 90% of costs incurred must be used for replacing lead service lines on private property. The remaining 10% can be used for indirect costs. DOEE's FY22 MOU will likely follow the same delineation of funds. DOEE and DC Water are estimating that in FY22, 400 partial lead service lines will be replaced through LPRAP and 1,693 full lead service lines will be replaced through CIPERR if a block-by-block approach is taken. As such, DOEE is proposing splitting the \$10.084 million by allocating 30% to LPRAP and 70% to CIPERR.

- iii. This activity only has 2.0 FTEs—an increase of 1.0 FTE from FY 2020. Given the plan to ramp up lead line replacements over the next few years, is this enough FTEs to administer the program?

The lead pipe replacement programs are going to be ramping up significantly over the next few years to achieve the Lead-Free DC goal. The additional FTE would assist with processing the influx of applications and conducting outreach.

13. The Urban Sustainability Division includes 2.0 new FTEs, and a \$225,000 enhancement over FY 2021 approved levels. What work will these new FTEs be doing?

These positions currently exist in DOEE and correspond to business engagement and Sustainable DC, respectively. This budget action aligns the work responsibilities with the correct operational unit.

14. DOEE typically rolls over REDF funding for Solar For All projects to the next fiscal year if they are not fully connected or installed in the fiscal year in which they were awarded. Given the allocation for federal funds for Solar For All projects this year, how will DOEE ensure that projects are complete by the end of the year? What are the most common reasons a Solar For All project might not be able to be completed in a single FY?

Through the DC Sustainable Energy Utility, we solicit proposals for Community Renewable Energy Facility (CREF) developments annually. Constructing and energizing these large solar arrays require planning, due diligence, financing, construction, and interconnection. We plan to work with the DCSEU to have the RFP solicitation, proposal evaluation, and

subcontractor selection processes completed before the start of the new Fiscal Year. Also, DOEE has worked with DCSEU to streamline the requirements of the SFA program and establish performance milestones, to ensure subcontractors can install solar systems within a given fiscal year. Delays in project completion are often due to processes related to permitting, interconnection, supply chain issues for materials and equipment, and site access limitations.

DOEE also works with sister agencies to build community solar systems on public buildings and spaces. Delays may arise due to the time it takes to transfer funds to sister agencies so they can conduct their engineering, procurement and construction processes.

15. The narrative in the agency’s budget chapter states that there is a \$15.2 million investment in “Affordable Housing” using federal ARPA funds. What does this funding support, and where are the funds loaded into the agency budget?

The correct amount of funding for ARPA designated to “affordable housing” is \$32,213,720 (affordable housing here is broadly defined to include DCHA and DHCD portfolios as well as rent-controlled buildings. The construction loans and predevelopment grants program as noted below will also go to serve under-resourced properties with compliance such as senior care facilities, houses of worship, K-12 schools, public universities, etc.)

Program	Amount	Description
BEPS Construction Loans (DC Green Bank)	\$8,359,299.00	Funding to support “under-resourced” buildings (senior care facilities, K-12 schools, houses of worship, etc.) that need help with BEPS compliance. The funding will be used by the DC Green Bank in partnership with DOEE to ensure these projects can secure favorable construction loans for upgrades.



DHCD Affordable Housing BEPS support through the DCSEU	\$ 10,000,000.00	DOEE, in partnership with DHCD, will send funding to the DCSEU to support energy efficiency retrofits in affordable housing for compliance with the first BEPS compliance period, effectively keeping those building owners from having to come to DHCD for additional financing and clogging up the affordable housing financing pipeline. In parallel, DHCD will require multi-cycle BEPS compliance design for projects that are coming in for financing, ensuring 15-20 year compliance.  going to DCSEU to support DHCD projects
DCHA Affordable Housing BEPS Support	\$ 5,180,875.00	Supports long-term BEPS compliance in the DCHA portfolio through energy efficiency investments and hiring of supporting staff (3 FTEs).
BEPS Predevelopment grants  Under-resourced buildings BEPS compliance support (pre-development grants) through the DCSEU	\$ 8,244,844.00	Funding to support “under-resourced” buildings (senior care facilities, K-12 schools, houses of worship, etc.) that need help with BEPS compliance. The grants will focus on pre-development work that will allow the project to secure a favorable construction loan (e.g. energy audit, design, engineering, energy modeling)
BEPS Administrative Support	\$ 428,702.00	To hire 4 FTE’s supporting the BEPS ARP programs, and BEPS in general.
<b>TOTAL</b>	<b>\$ 32,213,720.00</b>	

16. The agency’s budget includes \$8.6 million for BEPS Energy Audits; it is the Committee’s understanding that these funds will be transferred to and administered by the Green Finance Authority. Does the agency anticipate executing an MOU on this prior to the start of FY 2022? When does DOEE



anticipate GFA will be able to access these funds, and make them available to building owners?

DOEE will transfer \$8,359,299.00 to the Green Finance Authority (GFA) to support construction loans to affordable housing not covered by DHCD and DCHA, as well as under-resourced buildings. Those funds will not be used for energy audits or pre-development design, engineering and/or modeling. The DCSEU, however, will be transferred \$8,244,844.00 to support pre-development work including energy audits. In addition, the DCSEU will be receiving \$10,000,000 to support energy efficiency retrofits in DHCD properties.

DOEE will execute a Memorandum of Agreement with the GFA prior to the start of FY 2022.

17. The agency's FY 2022 budget includes \$15 million in ARPA funding for lead line replacements.
- a. It is the Committee's understanding that additional federal funding for the lead line replacement programs has also been allocated for FY 2023 and 2024, but is not specifically noted in the agency's budget chapter. How much federal funding has been allocated for this purpose in each of FY 2023 and FY 2024?

The District has made an initial allocation of \$10 million for FY23 and FY24 and will be closely tracking DC Water's ramping up of efforts in FY22 to determine how much funding is required to meeting the District's goal of replacing lead service lines.

- b. Please provide a breakdown of how DOEE intends to spend federal funding allocated to the lead line replacement programs, broken down by fiscal year, and program (LPRAP, DC Water's capital program, voluntary replacements, and any separate administrative costs).

DOEE plans to disburse the FY22 6080 \$10 million ARP funds to DC Water to replace lead service lines through the Lead Pipe Replacement Assistance Program (LPRAP) and the Capital Improvement Projects and Emergency Repair and Replacement (CIPERR) program. DOEE anticipates allocating 30% of the funds to LPRAP and 70% to CIPERR. Per DOEE's FY21 MOU with DC Water, under LPRAP at least 75% of costs must be reserved for direct relief to residents and 25% of costs can be used for DC Water administrative costs. For CIPERR, 90% of costs incurred must be used for replacing lead service lines on private property and the remaining 10% can be used for indirect costs.

- i. Will these federal funds support any FTEs? If so, how many, and what is the term of these employees—temporary, or permanent, with plans to find local dollars to fund those positions in the future?

No, the \$350 million federal dollars that DC Water has requested does not account for any DOEE FTEs. The 6080 FY22 ARP funds also do not support any FTEs. The additional FTE that was added to the 6080 budget for FY22 comes from local funds.

- ii. Will these federal funds support any educational or outreach campaigns?

Yes, a portion of DC Water's direct costs will be used for outreach and digital advertisement about the programs. For example, DC Water has disseminated mailers and paid digital advertisements for LPRAP and the Voluntary Program informing them of the risks associated with lead service lines and steps to apply to the appropriate replacement program depending on the property's pipe material.

- c. How does DOEE intend to allocate and oversee funds disbursed to DC Water for lead line programs that DC Water administers?

DOEE is proposing disbursing the \$10.084 million to DC Water for lead pipe replacement programs by allocating 30% of the funds to LPRAP and 70% to the Capital Improvements Projects and the Emergency Repair and Replacement (CIPERR) program. Since the inception of the program, DOEE and DC Water have developed a detailed MOU that includes these respective caps on various costs. On an annual basis, DOEE requests a reconciliation and detailed billing statement of DC Water's expenditure of District lead line replacement funds.

- i. Does DOEE anticipate there being any limitations on how DC Water may use these funds? For example, will DC Water be able to use these federal dollars only to cover costs of private side replacements, or also for work in the public space?

Per the current legislation, DOEE currently only allocates funds to cover costs of private side replacements for LPRAP and CIPERR. DOEE does not currently fund public side replacement costs for CIPERR, and will look to Council on whether a portion of the funds should be used to fund replacements in the public space. That said, DOEE supports using federal funding to replace the maximum number of lead service lines in the District and conducting block-by-block replacements are the most efficient and cost-

effective mechanism to do so. If federal dollars are used to cover costs of work conducted in the public space, DC Water has advised that a total of 1,693 replacements will be completed through CIPERR in FY22. However, if federal dollars are not allocated for this purpose and DC Water does not take a block-by-block approach, only 150 replacements will be conducted in FY22 and only \$520,000 of the \$7 million DOEE plans to allocate to CIPERR for private side replacement costs would be spent.

18. The agency budget includes \$1.5 million for the CRIAC Relief Fund.
- a. What is the current fund balance in the CRIAC Relief fund? How much of that funding does DOEE anticipate spending through the end of FY 2021?

Per the Coronavirus Emergency Amendment Act, DOEE was required to allocate \$360,000 during the public health emergency for CAP3. The remaining funds (\$1.1M) were authorized for direct emergency residential bill assistance. These funds were depleted in mid-May and provided up to \$2,000 in assistance to 1,897 low and moderate-income District households. For FY21 the Nonprofit Program sent \$2,747,591.08 to DC Water (through the MOU and MOU amendment). We anticipate they will provide \$1,470,000 in FY21 direct-rate relief. Based on that expectation, DOEE estimates that \$1,277,591.08 will be returned to DOEE during the reconciliation process to roll over into FY22 for non-profit assistance.

- b. Currently, the CRIAC Relief Fund may be used both for CRIAC relief for eligible residents, and to help vulnerable residents pay water utility bills.
  - i. Given the roll out of the StayDC Program, and the availability of the CAP relief program, does DOEE intend to continue providing water utility bill relief to residents from the CRIAC relief fund in FY 2022, if authorized?

The STAY DC program is only available to renters. The District's CRIAC residential funds have been depleted through the emergency assistance program, and there is no current legislative vehicle for direct bill relief outside of the public health emergency. DC Water is continuing their direct bill relief program, which also pays arrearages up to \$2,000. In May, the District received \$2.4M for the new Low Income Household Water Assistance Program (LIHWAP); however, these funds can only be utilized for administrative costs at this time until HHS releases and approves the necessary program approval document, or State Plan, so we do not expect to begin providing relief through this program until late summer.

- c. Are funding levels in the fund sufficient to meet demand in FY 2022 for (1) CRIAC Relief and, separately, (2) CRIAC Relief and water utility bill relief?

The funding is sufficient to maintain CRIAC relief for CAP3 and Non-profits. This amount does not include funding for direct bill relief as was provided through the emergency program.

- i. Please provide a breakdown of anticipated CRIAC Relief demand, by eligibility group, for FY 2022, and a breakdown of anticipated demand for water utility bill relief for FY 2022.

FY22 Anticipated CRIAC Relief: CAP3 relief is projected to utilize \$35K of CRIAC Relief funding. This amount has remained fairly consistent. CAP discounts are paid by DC Water and DC Water decided to cover the District's portion of the CAP2 discount.

FY22 Anticipated Water Bill Relief: The ERRP rollout led to increased CRIAC enrollments across all CAP levels. Of the \$1.2M spent on ERRP, 89% of the direct benefits were awarded to CAP customers (60% SMI), 9% to CAP 2 (80% AMI), and 2% to CAP 3 (100% AMI).

- d. The agency's budget proposes reducing this division by 2.0 FTEs for FY 2022. Please explain why the agency feels fewer staff are needed to administer this relief program.

There was an error in the number of FTEs for FY21, this reduction reflects a correction.

- 19. The Mayor's Executive Summary of her budget proposal notes a \$72 million investment that includes, among other services, enhancements to "mold remediation." This enhancement, however, is not clearly laid out in the budget. For example, the DCRA budget makes no mention of the agency taking on mold remediation responsibilities. Thus, DOEE would seem to be the only other agency where an enhancement in mold remediation work could occur.

- a. Is DOEE planning to enhance its mold remediation work. If so, where is that reflected in the agency's budget?

DOEE's budget includes \$5 million in ARP funding for an expansion of DOEE's U.S. Department of Housing and Urban Development (HUD) Lead Hazard Control grant funded program. The ARP funding will be used in coordination with DOEE's weatherization program to identify and remediate

lead and mold in qualifying properties. These funds can be found in Activity 6010.

20. DOEE's budget indicates that there is a reduction of \$64,600 to account for the removal of "grants to urban farmers and [to] perform soil testing." The FY 2021 budget included one-time funding for grants, but the \$3,000 for soil testing was recurring. Please confirm that funds have not been removed for soil testing and that this function is still fully funded.

Yes, we confirm that soil testing remains fully funded in the FY22 submission at the \$3,000 level.

21. On February 1, 2021, the District updated its rules regarding excise taxes for hybrid and EV vehicles pursuant to the CleanEnergy DC Act. How is DOEE communicating these new rules to car dealers and residents?

According to §50–2201.03(j)(1A)(A), the DMV changed the excise tax amounts in consultation with DOEE. DOEE provided expert advice to DMV to assist in determining the amounts. DMV then changed the excise tax and is responsible for communicating these rules per §50–2201.03(j)(1A)(F)

22. Under the Rail Safety and Security Amendment Act, the Mayor is authorized to issue rules to establish fees to be paid by railroad carriers. Has DOEE issued rules establishing such fees? If not, why not?

DOEE has drafted rules establishing the fees; however, OAG has raised concerns that the authorizing statutory language may be insufficient to properly authorize the fee rulemaking.

23. In response to oversight questions, DOEE indicated that it planned to finalize by May 2021 emergency regulations to address an EPA rollback in June 2020 that would have left 60-70% of the District's wetlands unprotected. What is the status of these regulations? Have they been finalized as planned?

The final Wetlands and Stream regulations were published on May 14, 2021.

### ***Capital Budget***

1. Please provide a spending plan for all new or ongoing capital projects, broken out by year, including how available balances will be spent.

See attachment QC1.

2. Several key DOEE capital projects, such as (SWM05) Stormwater Retrofits, (BAG04) Waterway Restoration, and (WETMI) Wetland & Stream

Mitigation, have no funding after FY 2022 or FY 2023. In fact, only one project—(HMRHMC) Hazardous Material Remediation—has funding in FY 2024 or later.

- a. Does DOEE have plans to continue its stormwater mitigation and waterway, wetland, and stream restoration work? Is all the potential work that could be completed done?

These projects will continue indefinitely to meet federal mandates and District goals to restore local waters and habitat. The existing funding will be used for multi-year capital projects and additional funding will be added to these projects in out years using special purpose revenue, as available.

3. The agency's proposed budget for (HMRHMC) Hazardous Material Remediation zeroes out funding for the project in FYs 2022, 2023, and 2024, and a significant portion of FY 2025, shifting that \$11 million to FY 2027. Is the project's allotment balance of \$15 million sufficient to cover need over the next four fiscal years? As the agency knows, this work is essential to clean up hazardous sites along the Anacostia River, and prevent future contamination.

Now that the interim record of decision has been completed DOEE is preparing baseline monitoring and performance plans for conducting work on the Anacostia River "hotspots," so shifting funds to out years is acceptable. Poplar Point is an ongoing project that requires funding and actual clean-up efforts at Kenilworth Park should commence in FY22, which is approximately a \$15 million remediation project. The capital project's allotment balance of \$15million and use of the PCB cost recovery funds from Monsanto should allow the current projects to continue without interruption. We will evaluate progress and funding during each fiscal year to ensure adequate funding is available.

4. The budget for (IFM20C) DC Integrated Flood Modeling includes an additional \$1 million in FY 2022.

The additional \$1 million restores budget cuts in FY21 for this project.

- a. What will this additional funding pay for? The budget report shows that this amount is pre-encumbered—was the contract for this work more expensive than anticipated?

The project is in the procurement phase and a contract has not been awarded. The funds were pre-encumbered to support procurement. We anticipate the cost will be higher than the current budget based on proposals.

### ***Budget Support Act***

1. The Budget Support Act includes a subtitle that formally moves the Office of Resiliency and Recovery from the Office of the City Administrator to HSEMA.
  - a. Does DOEE currently collaborate with the Office of Resiliency and Recovery on its resiliency planning? If so, please describe that work.

Yes, we collaborate extensively. DOEE has supported the Office of Resiliency when it was at both OCA and HSEMA. DOEE collaborated closely on multiple sections of the Resilient DC plan including those on climate change and equitable/inclusive growth. As the plan has moved into implementation at HSEMA, DOEE continues to meet regularly with the Chief Resilience Officer to identify resilience projects and share information. DOEE has benefitted from HSEMA mitigation funding and continues to collaborate on future proposals to bring in additional federal funding to support climate resilience. Funding has already been leveraged to support the Resilient Design Guidelines, the Comprehensive Heat Strategy, planning workshops in Poplar Point, flood risk outreach and building surveys, and analysis of flood insurance options. HSEMA and DOEE recently collaborated on grant applications to support flood mitigation planning in Ward 7, and a microgrid at the St. Elizabeth's campus, among others.

- i. For example, DOEE is currently developing an integrated flood model. How is this information being shared with the Office?

When the Integrated Flood Model project starts, HSEMA will be a key stakeholder for product development and receive scenario maps, framework plans, and floodshed management plans. HSEMA anticipates using this new data to better prioritize flood mitigation projects and to build the benefit-cost analysis needed to justify projects for federal funding.

- b. Has DOEE ever provided guidance to HSEMA on impacts of climate change or other environmental factors that may impact residents? If so, in what capacity?

DOEE provided input to incorporate climate hazards and guide strategies in the District's Hazard Mitigation Plan. DOEE research on climate, equity, and disproportionate impacts will also be integrated in the 2021 update to the Community Risk Assessment.



### ***Key Performance Indicators***

1. The agency's key performance indicators note that the number of contaminated site clean-ups in the District rose to 104 in FY 2022, from 23 in FY 2018, 27 in FY 2019, That a more than 400% increase. What is the cause of this incredible increase?

This was an error—104 cases are cleanups under regulatory oversight, not cleanups completed. That number included both completed and pending cleanups for the Land Remediation and Site Response Branch. Only 27 cleanups were completed in FY20, consistent with prior years' trend. There are 193 active/open sites pending cleanup in the District.

2. The key performance indicators note that only 25.3% of actions in the Sustainable DC Plan were complete by FY 2020, below the target of 33%.
  - a. How is DOEE interpreting this metric? FY 2019 actual is 32.9%, while FY 2020 actual is less, 25.3%. Is this showing percentage growth from the preceding year, or something else?

The FY20 actual of 25.3% is a mistake. It should actually be 5%. A major update to Sustainable DC was released in the third quarter of FY19: Sustainable DC 2.0, which increased total plan actions from 132 to 167, including a new education section and expanded sections on health, climate, equity, and economy. A majority of actions were also updated, causing the overall number of actions considered "complete" to be much lower than the initial set of actions in the original plan.

- b. What prevented the District from reaching its 33% goal in FY 2020?

The release of the Sustainable DC 2.0 Plan in April 2019 expanded the total number of actions and modified a significant number of other actions, which impacted the percent of actions considered complete.

- c. The agency's FY 2022 target is 10%, significantly lower than its FY 2021 and FY 2021 target of 33%. Why has the agency lowered its goals for this metric?

DOEE lowered the target to reflect the updated Sustainable DC 2.0 Plan, which added new actions and significantly modified other actions. The set of new plan actions greatly reduced the number of actions completed, so a lower target felt appropriate.



**FY 2022 Pre-Hearing Budget Questions**  
***Department of Energy and the Environment***

1. The proposed budget includes \$8.3 million for BEPS construction loans through the DC Green Bank, focused on “under-resourced” buildings that need help with BEPS compliance. Who will determine whether a building meets the definition of “under resourced”? Will there be guidelines?

DOEE will define “under-resourced buildings,” and will issue clear guidance before making the funds available. DOEE's first priority will be supporting the various types of affordable housing that will not be supported by the DHCD-designated ARP funding (such as naturally-occurring affordable housing, low-income rent-controlled housing, and limited equity co-ops) to ensure the BEPS program does not negatively impact the availability of affordable housing.

2. DOEE has budgeted an additional \$200,000 for DC Water Stormwater billing and collection costs. Why are these costs up?

In past years, DOEE had been budgeting \$1.1 M for DC Water's fees collection charges. However, their charges have increased over several years and DOEE had been able to absorb the cost. This was no longer sustainable beginning in FY 20 so we increased the FY 22 budget to account for the current DC Water charges. DOEE plans to work with DC Water to negotiate and provide more clarity on the basis of the fee collection charges to better anticipate costs for future budget cycles.

3. The MOU between DOEE and DC Water allows DC Water to spend 25% of funding for lead line replacement work on administrative costs. What qualifies as an “administrative cost” under the MOU? How did DOEE and DC Water settle on the 25% cap, versus a lower percentage?

The MOU with DC Water allows for the current breakdown of administrative costs:

**(1)** Under D.C. Code § 34–2159(e)(2), DC Water may use funding for Lead Pipe Replacement Assistance Program (LPRAP) to for costs incurred in administering the Program, known as "administrative costs," which includes direct and indirect costs to manage the program. Based on an analysis of actual costs incurred in the first year of the program, DOEE and DC Water determined that at least 75% of costs incurred under Program One shall be reserved for direct relief to residents, which is defined as the benefit amount

approved by DOEE for disbursement to the resident's contractor. For LPRAP, DC Water may use up to 15% of the funds for direct costs such as filter kits, communications efforts, pre-construction and construction inspections, and permitting assistance. Up to 10% of the funds can be used to support indirect costs, including program management, fringe benefits, and overhead.

**(2)** Under D.C. Code § 34–2158(a)(1) and (3), DC Water may use funding for Program Two to pay for the costs of replacing lead service lines, including overhead expenses. Of costs incurred for the Capital Improvement Projects and Emergency Repair and Replacement (CIPERR), 90% is reserved for the direct costs of replacing lead water service lines on private property, including materials, vehicles, contractors, inspectors, and permits. The remaining 10% can be used for indirect costs, including program management, fringe benefits, and overhead.

For both programs, direct and indirect costs may only be drawn down in conjunction with the completion of the replacements.

4. Per District law, DOEE only allocates funds to DC Water to cover the costs of private side replacements for LPRAP and their CIP lead line projects. However, as DOEE knows, DC Water has asked for \$350 million plus to accelerate its lead line replacement work, which includes costs for water main replacements and other work other than private side replacements. If the Council were to allocate funding as requested absent legislation, would DC Water be limited to using it only for private side work?

This would depend upon where and how the Council allocated the funds. If the funds were placed in the Lead Service Line Replacement Fund established in D.C. Code § 34–2159(i), or allocated to DOEE's LPRAP or CIPERR program, then yes, it's likely the funds would be restricted to use for private side replacements.

5. It appears that \$1.278 million of the \$2.748 million allocated for nonprofit CRIAC relief has not been used, about 40% of the total allocation. Why was this funding unspent? What is the estimated demand for this program in FY 2022? Please provide a full spending plan for the CRIAC relief fund, broken down by relief program, and including FY 2022 budget levels and estimated FY 2021 ending fund levels for each program.

Funding from past years for the CRIAC Nonprofit Financial Relief Program has accumulated in the CRIAC non-lapsing special purpose revenue fund. In FY 21, \$2.748 million was allocated for direct-rate nonprofit relief and transferred to DC Water. The program estimates that \$1.47 million will be used for direct rate relief in FY 21. We estimate approximately \$1.278 in

unspent FY 21 funds will be returned to DOEE through the reconciliation process, which will be available for use in FY 22.

DOEE develops the fiscal year program estimates based on historical participation trends and adds a 10% buffer to account for any newly participating organizations. There is a level of uncertainty with these estimates, as there are many eligible organizations, including houses of worship, that haven't applied for the program yet. Additionally, in FY 21 the CRIAC rate assessed on DC Water bills decreased, and our previous estimates had not accounted for these changes in the CRIAC rate.

The FY 22 direct rate non-profit relief budget estimate is \$1.62 million. In FY22, DOEE intends to use the FY 21 unspent funds (estimated at \$1.278 million) to partially offset the projected demand for nonprofit financial relief in FY 22. This budget includes a participation increase of approximately 10%.

6. DOEE's budget includes a vacancy savings rate of 1.9% for FY 2022. Last year, the agency's vacancy savings rate was 9.0%, and there are over 30 new FTEs in the FY 2022 budget. According to the agency's schedule A, DOEE has 80 vacancies right now out of 630 positions, a ~12.6% vacancy rate not counting the new positions. How did DOEE calculate the 1.9% vacancy rate?

The vacancy savings rate for FY 22 is based on the vacancies reflected in the Schedule A for local funds at the time of budget formulation in November/December 2020. At that time there were only 7.0 FTEs funded with local dollars, all of which were listed as in active recruitment, and 6.3 FTEs that were partially funded with local funding across the agency. This resulted in a vacancy savings rate of 1.9 percent across locally funded programs. This differs from the FY 21 vacancy savings formulation as there were more vacant positions last year due to COVID-19 and the hiring freeze, and therefore a higher vacancy rate.

7. Please provide the funding source and purpose of the Special Energy Assessment Fund. In addition, please provide spending plan for the fund and indicate whether it is required to maintain a certain balance.

For the statutory funding source and purpose, see D.C. Code § 8-1778.21. The Fund is primarily used to house PACE debt-service payments. This budget authority, in the amount of \$3.5 million, now appears in the Green Finance Authority budget chapter. The additional bonding authority authorized under the authorizing act was not used (to DOEE's knowledge) and we are unaware of a minimum balance requirement.

8. Please provide a spending plan for the Monsanto settlement money. In addition, please indicate if this funding is restricted for certain purposes.

OAG filed suit against Monsanto in May 2020 alleging it knowingly sold toxic products, misled consumers and regulators to maximize profits, and damaged the District’s natural resources. Bodies of water in the District with high levels of PCB contamination include the Potomac and Anacostia Rivers, the Tidal Basin, the C&O Canal, and dozens of small streams and creeks. The lawsuit sought to recover damages, civil penalties, and costs of cleaning up PCB contamination in the District.

The settlement resolved OAG’s lawsuit and required Monsanto to pay \$52 million to the District. The majority of these funds will be dedicated to environmental clean-up of District waterways. Pursuant to the Monsanto Settlement Allocation Act of 2020 (Section 3081 of the FY 21 Budget Support Act of 2020 (L23-149)), a portion of the settlement funds was dedicated to supporting OAG’s litigation, a portion went to the District’s general fund, and DOEE received \$30 million to support PCB and toxics clean up in the District, placed in the Clean Land Fund (663), which is dedicated to that purpose.

DOEE has a number of projects for which we expect to draw on these funds to support contaminated site remediation and restoration in areas damaged by PCBs, particularly in and around the Anacostia River. Below is a list of contaminated site cleanups, studies of contaminated sites, stream and shoreline restorations, and pollution prevention projects. These projects represent the highest priority for funding outside of DOEE’s operating budget, in part due to opportunities to align restoration with remediation in and around Anacostia River Sediment Remediation Early Action Areas.

Project Title / Description	FY21	FY22	FY23	FY24	Total
Administrative Cost - TSD/Site Remediation Team - Personnel costs covered for 6 FTEs. <b>Active Project</b>	\$600,000	\$600,000	\$600,000	\$600,000	\$2,400,000
Funding for outside counsel for ARSP litigation. <b>Active Project</b>	\$500,000	\$500,000	\$500,000		\$1,500,000
Implementation of ARSP early actions; Kingman Lake Operating Unit 1. <b>Active Project</b>	\$2,000,000	\$3,000,000	\$3,000,000	\$2,000,000	\$10,000,000
Implementation of ARSP early actions; Washington Channel Operating Unit 2		\$1,000,000	\$4,000,000	\$4,000,000	\$9,000,000
Implementation of ARSP early actions; Anacostia River (DC Boundary) Operating Unit 3		\$3,000,000	\$9,500,000	\$7,000,000	\$19,500,000

Implementation of the Kenilworth Park remedy.		\$3,000,000	\$5,000,000	\$3,000,000	\$11,000,000
Poplar Point – Complete remedial investigation and Feasibility Study (RI/FS) in compliance with a consent order with NPS – <b>Active Project</b>	\$1,500,000	\$1,500,000	\$500,000		\$3,500,000
Possible near-term project at Benning Road trash transfer station to reduce exposure of potential sources of stormwater pollution. Separate from full razing and remediation of site.		\$500,000	\$500,000		\$1,000,000
Conduct complete Environmental Investigation (Phase 1 & 2) for 20 brownfield sites in Ward 7 & 8. Sites are former dry cleaner facilities located in close proximity to Child Care Centers. Investigations would include contaminated groundwater.	\$550,000	\$550,000	\$500,000	\$500,000	\$2,100,000
Pesticide applicator training and education. Additional funds needed because of Pesticides Product Registration fund balance being swept.	\$140,000				\$140,000
Stickfoot Branch Stream Restoration - 1,400 linear foot stream restoration in Anacostia watershed will reduce 16,000 lbs. sediment/yr. Total cost estimated to be \$1.5 mil, with \$1 mil potentially coming from other sources.		\$500,000			\$500,000
Fort Dupont Tributary Stream Restoration - 10,000 linear foot stream restoration in Anacostia watershed will reduce 300,000 lbs. sediment/yr. - Currently starting design contract. Total estimated cost of project \$16 m; assume \$400k could come from other sources		\$1,000,000	\$6,000,000	\$5,000,000	\$12,000,000
Kingman Lake Wetland Restoration - will restore 10 acres of wetland in Kingman lake - currently contracting designs. These funds are what may be needed in addition to current funds in order to align restoration and remediation in and around Kingman Lake Early Action Area		\$500,000	\$1,000,000		\$1,500,000
<b>Total</b>	<b>\$5,290,000</b>	<b>\$15,650,000</b>	<b>\$31,100,000</b>	<b>\$22,100,000</b>	<b>\$74,140,000</b>

In addition to the above list, DOEE has another list of projects totaling an estimated \$41.2 million that are in the early design stages but will likely need additional funds to be fully implemented.

9. Please explain the rationale and function of the Mayoral subtitles.

**Energy Assistance Trust Fund Amendment Act of 2021** - This subtitle would allow DOEE to spend funds in the Energy Assistance Trust Fund (EATF) on the District's low-income weatherization assistance program in FY 22. In FY 22, the District will have additional federal funding for LIHEAP sufficient to reduce the need to supplement LIHEAP funding with EATF dollars, when combined with anticipated reduced LIHEAP demand due to STAY DC. This amendment would allow EATF funds to be used for low-income weatherization assistance in FY 22, in the event the funds are not needed to support LIHEAP. Low-income weatherization support is aligned with the purpose of the EATF fee and freeing up EATF funds for this purpose will allow DOEE to weatherize more low-income homes in FY 22. DOEE expects to potentially increase weatherization assistance by approximately \$1 million, depending on the demand for utility assistance, as a result of this subtitle.

**Sustainable Energy Trust Fund Amendment Act of 2021** - This subtitle would allow DOEE to transfer between \$10 million and \$15 million to the Green Finance Authority in fiscal years 2022 through 2025. The Clean Energy DC Omnibus Amendment Act of 2018 increased Sustainable Energy Trust Fund (SETF) fees in order to fund the Green Bank. The law requires that DOEE transfer a total of \$70 million from the SETF to the Green Bank by FY 25 (\$15 million in FYs 20 and 21; \$10 million in FYs 22, 23, 24, and 25).

Energy usage declined significantly in FY 20 due to reduced use of commercial and retail space during the COVID-19 pandemic. The SETF fee is tied to usage, so SETF revenue also declined significantly in FY 20. For this reason, DOEE was only able to transfer \$12 million to the Green Bank in FY 20, \$3 million short of the required \$15 million.

In order to account for the shortfall, DOEE needs flexibility in funding the Green Bank Authority to ensure it is fully funded by FY 25. This subtitle would change the maximum amount DOEE can transfer from the SETF to the Green Bank in FYs 22, 23, 24, and 25 from \$10 million to \$15 million, while maintaining \$10 million as the minimum to be transferred in those years. This will allow DOEE to make up its \$3 million deficit all at once or in

pieces over the next few years, depending on SETF revenue and spending pressures.