

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA  
1325 G STREET, N.W., SUITE 800  
WASHINGTON, D.C. 20005**

**ORDER**

November 20, 2020

**FORMAL CASE NO. 1148, IN THE MATTER OF THE INVESTIGATION INTO THE ESTABLISHMENT OF ENERGY EFFICIENCY AND ENERGY CONSERVATION PROGRAMS TARGETED TOWARDS BOTH AFFORDABLE MULTIFAMILY UNITS AND MASTER METERED MULTIFAMILY BUILDINGS WHICH INCLUDE LOW AND LIMITED INCOME RESIDENTS IN THE DISTRICT OF COLUMBIA, Order No. 20663**

**I. INTRODUCTION**

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) accepts and approves the Energy Efficiency and Energy Conservation (“EEEC”) Task Force’s (“EEEC Task Force” or “Task Force”) recommendation to select the International Center for Appropriate & Sustainable Technology (“ICAST”) as the program implementer for the Whole-Building, Deep Energy Retrofit Program (“Deep Retrofit Program” or “Program”) in the District of Columbia (“District”). The Commission directs Pepco to release \$5.25 million from the Energy Efficiency and Energy Conservation Initiatives Fund (“EEEC Fund”) to support the initial launch of the Deep Retrofit Program. The Commission directs Pepco to separately account for any upfront payment or periodic progress payments made from the EEEEC Fund escrow account to Pepco, as “Restricted cash/funds” on their balance sheet (either in the current or non-current asset portion of the balance sheet). The Commission also directs the EEEEC Task Force to file an annual report with the Commission on the Implementation of the Deep Retrofit Program, with the first report due 14 months after contract execution (or 2 months after the first calendar year of operation).

**II. BACKGROUND**

2. On August 9, 2018, the Commission, by Order No. 19428, established the EEEEC Working Group (“EEEC WG”) to develop: (1) a Whole-Building, Deep Energy Retrofit Program targeted primarily towards both affordable multifamily units and master-metered multifamily buildings in the District, which include low- and limited-income residents; and (2) consumer education and outreach measures related to the implementation of the Retrofit Program.<sup>1</sup> As

---

<sup>1</sup> *Formal Case No. 1148, In the Matter of the Investigation into the Establishment of Energy Efficiency and Energy Conservation Programs Targeted Towards Both Affordable Multifamily Units and Master Metered Multifamily Buildings Which Include Low- and Limited-Income Residents in the District of Columbia* (“Formal Case No. 1148”), Order No. 19428, ¶ 1, rel. August 9, 2018 (“Order No. 19428”).

detailed in Order No. 19145, the Program would be funded by the \$11.25 million plus interest contained in the EEEF Fund.<sup>2</sup>

3. On September 10, 2018, the Commission, by Public Notice,<sup>3</sup> convened the EEEF WG, who met six (6) times from September 27, 2018, to March 14, 2019, to discuss and deliberate the “details regarding the implementation and administration”<sup>4</sup> of the Deep Retrofit Program while addressing the following concerns:

- a. How to ensure that all relevant stakeholders are involved in the effort;
- b. What financing options are available to couple with EEEF Funding to make the program sustainable (*i.e.*, longer-term loans);
- c. Appropriate data sharing between stakeholders to get developers, multifamily property owners, the utilities, and financing institutions involved;
- d. The viability of targeting the program in capacity constrained areas to help offset the need for infrastructure investments (*i.e.*, MEDSIS coupling);
- e. How the program should be governed and administered;
- f. The selection criteria for developers and building owners seeking to participate in the Retrofit Program;
- g. How the program can provide targeted job opportunities for D.C. residents and businesses;
- h. How [Retrofit Program] funds should be tracked, and success measured (designation of strong, quantifiable benchmarks); and
- i. What lessons learned from similar programs in other jurisdictions can be leveraged to design a D.C.-specific Retrofit Program.<sup>5</sup>

4. On June 27, 2019, understanding that “selection of a Retrofit Program Implementer should occur prior to the finalization of the Deep Retrofit Program goals, metrics, cost-effectiveness methodology, and project selection criteria” the EEEF WG filed a Report with the Commission requesting to “approve the issuance of a request for proposals [] to hire a Program Implementer to assist in finalizing specific . . . details and run the Program.”<sup>6</sup> The EEEF WG also requested that the Commission create “a formal structure for stakeholder involvement [] to allow

---

<sup>2</sup> *Formal Case No. 1148*, Order No. 19145, ¶¶ 5-6, rel. October 19, 2017. (“Order No. 19145”)

<sup>3</sup> *Formal Case No. 1148*, Public Notice, rel. September 10, 2018.

<sup>4</sup> *Formal Case No. 1148*, Order No. 19428, ¶ 11.

<sup>5</sup> *Formal Case No. 1148*, Order No. 19428, ¶ 11. (Citation Omitted).

<sup>6</sup> *Formal Case No. 1148*, Energy Efficiency and Energy Conservation Working Group Revised Report, filed June 27, 2019 (“Report”).

for stakeholder buy-in and responsibility sharing for the Retrofit Program outcomes.”<sup>7</sup> The EEEEC WG also recommended that payment to the Implementer mirror the structure used in *Formal Case No. 1130*’s Modernizing the Energy Delivery System for Increasing Sustainability process and funding approval of specific retrofits should be “structured in such a way to ensure that contractors and subcontractors can be paid in a timely manner for work performed on specific approved retrofit projects” which “will be especially important given the high levels of construction in the District and associated demand for contractors.”<sup>8</sup>

5. On October 11, 2019, after review of comments received on the Report,<sup>9</sup> the Commission by Order No. 20236: approved the EEEEC WG’s recommendation and established the Energy Efficiency and Energy Conservation Task Force; informed “interested stakeholders who will not respond to solicitations and seek Retrofit Program funding to file a request to be appointed to the EEEEC Task Force,” directed Pepco along with the Task Force to prepare and issue a RFP to hire a recommended Deep Retrofit Program Implementer to assist in finalizing the details and administering the Deep Retrofit Program;<sup>10</sup> and request “approval of the Implementer contract.”<sup>11</sup> Furthermore, the Commission also noted that “as to the fixed payment schedules proposed by NCLC in the [Report], and endorsed by NCLC/OPC and DCG, the Commission sees merit to utilizing fixed payment schedules for the Implementer to access funds for specific retrofit projects and direct[ed] [] the EEEEC Task Force [to] work with the Implementer to include a detailed explanation of how this process would operate as part of the finalization of the process and procedures, as well as a draft Charter for the EEEEC Task Force, for the Retrofit Program.”<sup>12</sup>

6. On November 24, 2019, by Order No. 20251, the Commission designated the Office of the People’s Counsel for the District of Columbia (“OPC”), Department of Energy and Environment (“DOEE”), National Consumer Law Center (“NCLC”), National Housing Trust (“NHT”), as well as Commission Staff to work with the Potomac Electric Power Company (“Pepco”), to issue and recommend a Deep Retrofit Program Implementer for Commission Approval.<sup>13</sup> On January 10, 2020, the Commission also appointed the Apartment and Office

---

<sup>7</sup> Report at 4.

<sup>8</sup> Report at 5.

<sup>9</sup> *Formal Case No. 1148*, Public Notice, issued August 16, 2019; The Triple Bottom Line Foundation’s Comments, filed August 30, 2019; The National Consumer Law Center, the Housing Trust and the Office of the People’s Counsel’s Comments, filed September 4, 2019; Office of the Attorney General of the District of Columbia Government’s Comments, filed September 5, 2019; Potomac Electric Power Company’s Comments, filed September 6, 2019.

<sup>10</sup> *Formal Case No. 1148*, Order No 20236, ¶¶ 1, 7, rel. October 11, 2019 (“Order No. 20236”).

<sup>11</sup> Order No. 20236, ¶ 9.

<sup>12</sup> Order No. 20236, ¶ 9.

<sup>13</sup> *Formal Case No. 1148*, Order No. 20251, rel. November 7, 2019.

Building Association of Metropolitan Washington to the Task Force.<sup>14</sup> On September 23, 2020, the EEEEC Task Force filed a proposed Recommendation to select ICAST to be the Implementer for the Deep Retrofit Program.<sup>15</sup> The filing also contained a Statement of Work and a Charter which indicates NCLC/NHT as Chair; DOEE as Vice Chair; and OPC as Secretary of the Task Force.

### III. DISCUSSION

#### a. Recommendation

7. **Vendor Selection.** In its Recommendation, the Task Force states that a “request for proposals was developed and issued on February 14, 2020” “with a closing date of March 27, 2020, including a one-week extension due to the timing of the COVID-19 stay at home order.”<sup>16</sup> The Recommendation notes that the Task Force received proposals from five (5) entities: AECOM, ICAST, ICF, TRC, and VEIC.<sup>17</sup> The Recommendation states that Task Force members reviewed the proposals independently, and the Task Force met virtually on April 10, 2020, to deliberate.<sup>18</sup> The Recommendation states that Task Force members submitted scores on the proposals to Pepco, which Pepco used to work with Exelon Sourcing, to select the top-scoring vendors. The top-scoring entities were invited to make a presentation to the Task Force. As a result of the presentations from these entities in conjunction with the unique and specific objectives of this Program, the merits of the supplied proposals and presentations, and feedback from the Task Force members, ICAST was provisionally selected as the preferred Implementer. The provisional selection was based on ICAST’s non-profit status; cost-sharing approach; openness to collaborating closely with the Task Force; and its deep knowledge and emphasis on multi-family energy efficiency, specifically as it relates to deep retrofits for affordable multi-family buildings, which is a uniquely difficult sector to reach, among other things.<sup>19</sup>

8. **Program Implementation.** The Recommendation notes that following “the provisional award of the contract to ICAST, Pepco immediately began devolving a statement of work [(“SOW”)],” which the Task Force reviewed and discussed on September 9, 2020.<sup>20</sup> The Recommendation states that the SOW “aligns the contractual obligations of the selected vendor with the core program design and program delivery considerations outlined by the FC1148

---

<sup>14</sup> *Formal Case No. 1148*, Order No. 20280, rel. January 10, 2020; Apartment and Office Building Association of Metropolitan Washington’s Motion for Leave to Be Appointed to Task Force, filed December 5, 2019.

<sup>15</sup> *Formal Case No. 1148*, Energy Efficiency and Energy Conservation Task Force, proposed Recommendations and Update, filed September 23, 2020 (“Recommendation” or “SOW”).

<sup>16</sup> Recommendation at 1.

<sup>17</sup> Recommendation at 1.

<sup>18</sup> Recommendation at 1.

<sup>19</sup> Recommendation at 1-2.

<sup>20</sup> Recommendation at 2.

working group and directed by the Commission.”<sup>21</sup> The Recommendation also notes that Pepco will continue to work with ICAST to complete the contracting process and “provide a full contract in a separate confidential document for” the Commission to review.<sup>22</sup> The Recommendation also notes that ICAST has begun working in good faith and that the contract between Pepco and ICAST will ultimately be executed after the Commission’s review. The Recommendation states that some of the work that ICAST has begun developing include “hiring of staff, trade ally network, and finalizing the details of the program design, including defining incentive levels and other specific qualification criteria and program parameters.”<sup>23</sup> The Recommendation also notes that the Implementer plans to provide a final program design to the Task Force by December 31, 2020, if the contract has been executed. With the development of a final program design in December of 2020, the Implementer anticipates being able to claim savings on the first projects in nine (9) to 12 months from that point.<sup>24</sup>

9. **Reporting Requirements.** The Recommendation notes that the Implementer is expected “to deliver quarterly updates to the Task Force, including Commission Staff, thus providing the Task Force the opportunity to monitor program delivery and provide feedback on a regular basis directly to ICAST and Pepco.”<sup>25</sup> The Recommendation also notes that “Pepco will file a report with the Commission on an annual basis with the first report being filed 14 months after contract execution (or 2 months after the first calendar year of operation).”<sup>26</sup> The Task Force projects the reporting to include outreach and education efforts, the pipeline of projects identified (including status of pipeline projects and estimated dates of completion), the geographic distribution of the projects, whether or not the project is required to comply with D.C.’s Building Energy Performance Standard (BEPS) requirements, the level of rent affordability of the project and the following metrics:

- Annual budget and actual spend
  - a. Percent of the annual budget in direct project incentives
  - b. Total project cost, including participant-paid costs
  - c. Amount of program funding spent on health and safety measures
  - d. Outside funding leveraged
- Number of projects
  - a. Number of housing units impacted
  - b. Measures installed, including counts by measure category
  - c. Total annual electric consumption savings (in kWh)
  - d. Total annual gas consumption savings (Therms)

---

<sup>21</sup> Recommendation at 2.

<sup>22</sup> Recommendation at 2.

<sup>23</sup> Recommendation at 2.

<sup>24</sup> Recommendation at 2.

<sup>25</sup> Recommendation at 2.

<sup>26</sup> Recommendation at 2.

e. Total annual water savings (in gallons)<sup>27</sup>

10. **Funding Requirements.** The Recommendation notes that Pepco requests that upon execution of the Contract with ICAST, that the Commission authorize the release of the funds currently held in escrow to Pepco.<sup>28</sup> According to the Recommendation, “Pepco will compensate ICAST for administration, marketing, and other overhead costs that are fixed as agreed upon in the Contract on a monthly basis for the duration of the Contract. Funds for customer incentives and other direct project spend will be released to ICAST by Pepco upon verified installation of approved measures pursuant to the agreed upon Contract terms.”<sup>29</sup> The Recommendation further states that release of the funds “to Pepco in a single transaction removes the administrative burden of repeated Commission requests.”<sup>30</sup> The Recommendation asserts that “Pepco’s commitment to engaging the Task Force, providing thorough and transparent reporting of program performance, and the Commission’s legal privity to the contract together provide enough structure to ensure funds are allocated appropriately and in furtherance of the program’s stated objectives.”<sup>31</sup>

11. Furthermore, the Recommendation requests that Pepco’s total incremental costs associated with implementing the Program, “be covered using interest earned on the \$11.25 million since it was initially reserved following the authorization of the Pepco Exelon merger.”<sup>32</sup> The Recommendation notes that “as of July 31, 2020, interest on the principal investment totals \$320,792.29” and Pepco anticipates approximately \$320,000 in administrative costs associated with implementing the Deep Retrofit Program.<sup>33</sup> The Recommendation also notes that Pepco “will provide the Task Force with documentation of costs billed to this project on a regular basis to ensure oversight and proper use of these funds.”<sup>34</sup> Lastly, the Recommendation states that should Pepco’s “incremental costs incurred in support of this program be less than the interest earned at the time of the release of funds, Pepco will make those funds available for additional customer incentive spend.”<sup>35</sup>

---

<sup>27</sup> Recommendation at 3.

<sup>28</sup> Recommendation at 3.

<sup>29</sup> Recommendation at 3.

<sup>30</sup> Recommendation at 3.

<sup>31</sup> Recommendation at 3.

<sup>32</sup> Recommendation at 3.

<sup>33</sup> Recommendation at 3.

<sup>34</sup> Recommendation at 3.

<sup>35</sup> Recommendation at 4.

**b. Statement of Work**

12. **Program Goals.** Attached to the Recommendation was a SOW which indicates that ICAST will utilize its “comprehensive one-stop-shop approach to offer a simple, hassle-free and cost-effective service for the multifamily affordable housing (“MFAH”) customers to engage and complete deep energy retrofits on their properties and employ a whole building deep energy retrofit approach, based on early retirement of inefficient systems, covering the entire MFAH property (in-unit residential and common area/exterior commercial meters).”<sup>36</sup> The SOW notes that the program goals “include reducing energy consumption that will lower utility costs and preserve housing affordability, address climate change, and generate local jobs and economic opportunities and achieve the following impacts: 1) 10,000 LI households served with EE upgrades on their MFAH properties; 2) Average energy savings exceeding 20% per building, across the portfolio of MFAH properties served by the program; 3) 200 Million kWh of energy savings achieved, over the life of installed upgrades; and 4) 270,000 Tons of Carbon emission reductions achieved, over the life of installed upgrades.”<sup>37</sup>

13. **Targeted Market.** Discussing the targeted market, the SOW states that with nearly 80% of the multi-family properties typically less efficient than the new ones built to today’s codes, the Implementer will ensure that its outreach efforts include naturally occurring affordable housing properties,<sup>38</sup> in addition to the government subsidized affordable housing stock in the District, so that they are made aware of the available programs that can help them plan and design a deep energy efficiency retrofit, finance it, and submit grant proposals or oversee the retrofit construction.<sup>39</sup> The SOW also notes that the Implementer “will serve income-qualified [multi-family] MF properties across Pepco’s territory in the District and that income-qualification is based on a majority of the households earning less than 80% of area median income (AMI), as evidenced by the incomes of the tenants and certified by the property owner/manager, or, the avg. rents at the MF property being less than 80% of avg. market rent, as evidenced by the rent roll provided by the property owner/manager.”<sup>40</sup> The SOW further asserts that “[a] MF property is defined as consisting of one or more buildings, with a total of three (3) or more apartment units in each building, clustered together on a single piece of land and under the ownership or management of one entity.”<sup>41</sup>

14. **Approach and Strategy for Program Design.** The SOW notes that the Implementer “will work with Pepco and the EEEEC Task Force to design a Program that addresses the needs of all stakeholders in a cost-effective manner, while achieving Program goals and expectations” and

---

<sup>36</sup> SOW at 2.

<sup>37</sup> SOW at 2.

<sup>38</sup> Naturally Occurring Affordable Housing refers to residential rental properties that maintain low rents without federal subsidy. It is the most common affordable housing in the U.S., available at <https://noahimpactfund.com/>.

<sup>39</sup> SOW at 2.

<sup>40</sup> SOW at 2.

<sup>41</sup> SOW at 2.

that, in general, the “Mid-Atlantic Technical Resource Manual (TRM) will be utilized to calculate the expected energy savings for all projects.”<sup>42</sup> Also, “the TRM will govern the deemed savings calculation formulas and the site specifics will determine the custom savings for each property. Energy savings calculations for each energy efficiency measure (EEM) will be determined by the specifications of the equipment currently in use versus the equipment being installed as part of the retrofit.”<sup>43</sup> The SOW also notes that the Implementer “will provide EEM recommendations for electric, gas and water savings to all MFAH customers” and that “[e]nergy savings will include both electric and gas EEM savings.”<sup>44</sup> The SOW states that the “program will play a crucial role in helping MFAH property owners in the District comply with the new Building Energy Performance Standards (BEPS).”<sup>45</sup>

15. According to the SOW, the Implementer will “draft an initial design for the Program to include details on Income Eligibility (IE) requirements and verification procedures, the energy efficiency measures (EEMs) eligible for the Program along with their incentive levels, and the roles and responsibilities of Pepco, ICAST, Trade Allies, Consultants and Contractors.”<sup>46</sup> Once the draft is ready for review, the Implementer will “submit the Program design to Pepco for review, which Pepco will then submit to the EEEEC Task Force for review, comment, and approval.”<sup>47</sup> With the approval of the program design by the Task Force, the Implementer expects to launch the Program in the first quarter of 2021.<sup>48</sup>

16. The SOW notes that the Implementer will launch and deliver the Deep Retrofit Program with the help of local Trade Allies and utilize its software applications to “track customers through the entire process, contractor management, audit reporting (including rebates), invoicing and payment processing, and final reporting.” The Implementer’s Program deliverable is expected to include: “1) Receipt of energy audit requests from MF property owners/managers as a result of ICAST education and outreach efforts; 2) Communication with MF property owners/managers regarding energy audit request and scheduling; 3) Client set-up in Salesforce CRM (client is tracked through the entire process hereafter); 4) Complete energy audit on MF property; 5) Presentation of audit findings to MF property owners/managers to ensure selection of appropriate EEM options; 6) Finalize scope of work for installation of EEMs per the MF property owners/managers request including rebates; 7) Help owners/managers access other incentives or financing as requested; 8) EEM Inspection – perform quality inspections of the installation of EEMs by local contractors per the inspection requirements of the Program; 9) Education and Training – provide the MFAH tenants with education on how to operate the EEMs installed (e.g.

---

<sup>42</sup> SOW at 3.

<sup>43</sup> SOW at 3.

<sup>44</sup> SOW at 3.

<sup>45</sup> SOW at 3.

<sup>46</sup> SOW at 3.

<sup>47</sup> SOW at 3.

<sup>48</sup> SOW at 4.



smart thermostats) while also training the MFAH maintenance staff on the operations of the EEMs installed (e.g., high efficiency heat pump HVAC); and 10) Invoicing – MFAH customer incentives will be paid by ICAST upon customer and Pepco approval. ICAST will request reimbursement from Pepco on a monthly basis for the customer incentives paid by ICAST and for the ICAST administrative fees per the approved budget.”<sup>49</sup>

#### IV. DECISION

17. ***Implementer Selection.*** The Commission appreciates the Task Force’s collaboration to issue an RFP, review proposals, conduct presentations, and select a recommended Implementer to design and administer the Deep Energy Retrofit Program for the District, despite the uncertainties surrounding the Covid-19 pandemic. The Task Force informs the Commission that upon issuance of the RFP, the proposals received were reviewed by all Task Force members and each member provided a scoring on all five (5) proposals, which resulted in the selection of the two highest-scoring entities. The Task Force further asserts that the two entities were invited to present to the members and a decision to select ICAST as the Implementer resulted because of ICAST’s non-profit status; cost-sharing approach; openness to collaborating closely with the Task Force; and their deep knowledge and focus on multi-family energy efficiency focused on deep retrofits for affordable multi-family buildings.<sup>50</sup> The Commission finds that the Task Force’s RFP process was fair, open, and supportive of the District’s energy goals. The Commission accepts and approves the Task Force’s recommendation to select ICAST as the Implementer to design, implement, and administer the Deep Retrofit Program in the District. The Recommendation and SOW notes that the Implementer is expected to submit a final program design to the Task Force by the end of November 2020, so it can be reviewed and approved by the Task Force in December 2020. The Commission directs the Task Force to file with the Commission the final program design as approved by the Task Force.

18. ***Disbursement of Funds.*** Pursuant to Order No. 19145, the Deep Energy Retrofit Program is to be funded by the \$11.25 million plus interest contained in the EEEF Fund.<sup>51</sup> The Recommendation requests that “upon execution of the Contract with ICAST, that the Commission authorize[] the release of the funds currently held in escrow” “to Pepco in a single transaction” to remove the administrative burden of repeated Commission requests.<sup>52</sup> The Recommendation also notes that with “Pepco’s commitment to engaging the Task Force, providing thorough and transparent reporting of program performance,” it believes this will “ensure funds are allocated appropriately and in furtherance of the program’s stated objectives.”<sup>53</sup>

---

<sup>49</sup> SOW at 5.

<sup>50</sup> Recommendation at 1.

<sup>51</sup> Order No. 19145.

<sup>52</sup> Recommendation at 3.

<sup>53</sup> Recommendation at 3.

19. In Order No. 20236, the Commission emphasized the need to review “utilizing fixed payment schedules for the Implementer to access funds for specific retrofit projects.”<sup>54</sup> While the Recommendation requested differently, the Commission in regulating and overseeing this program finds that a fixed payment schedule better supports the performance of the Deep Energy Retrofit Program, because it will ensure a step by step evaluation and understanding of the progress of executing the Program which will support and substantiate further release and use of the EEEF Funds. This will allow the Commission to evaluate the Implementer’s progress and determine whether adjustments to the disbursement amount are warranted based on Program performance and the progression of the projects. This approach will ensure that the Implementer has sufficient cash on hand to commit funding to prospective retrofit projects and promptly compensate contractors and subcontractors as construction costs are incurred while maintaining Commission oversight of the program. Understanding that having sufficient funding is vital to set in motion the Deep Retrofit Program’s launch due to the cost of marketing, Implementer’s administrative cost, related subcontracts, and initial incentive reimbursements, the Commission approves the release of \$5.25 million from the EEEF Fund to support the commencement of implementing the Deep Retrofit Program. Further disbursements from the remaining EEEF Fund will come after the Commission reviews the Task Force’s annual reports to be filed in years 2022 and 2023. Thus, the Commission directs Pepco to release \$5.25 million from the EEEF Fund and account for this upfront payment and periodic progress payments made from the EEEF Fund escrow account, as “Restricted cash/funds” on its balance sheet (either in the current or non-current asset portion of the balance sheet).

20. Lastly, the Recommendation also requests that “Pepco’s total incremental costs (expected to be approximately \$320,000) associated with implementing the program, be covered using interest earned on the \$11.25 million.”<sup>55</sup> The Commission approves this request and directs Pepco to track the cost of managing and monitoring the Deep Retrofit Program Implementer and include the total cost accrued in the 2023 Deep Retrofit Program annual report, for the Commission’s approval.

21. **Reporting.** Furthermore, the SOW notes that the terms of the SOW and contract with the Implementer are expected to last three (3) years, January 1, 2021, to December 31, 2023,<sup>56</sup> with the Task Force filing an annual report on the status of the Deep Retrofit Program, which will include claimed savings, program spending, and selected properties, among other things.<sup>57</sup> Understanding that the Task Force’s annual status report will include program spending updates, the Commission will await the filing of the annual report to evaluate the need for further disbursements for years 2022 and 2023. The Commission directs the Task Force to file an annual report with the Commission, with the first report due 14 months after contract execution (or 2 months after the first calendar year of operation). The Commission directs that the report include program spending, outreach and education efforts, the pipeline of projects identified (including the

---

<sup>54</sup> Order No. 20236, ¶ 9.

<sup>55</sup> Recommendation at 3.

<sup>56</sup> SOW at 1.

<sup>57</sup> Recommendation at 2.

status of pipeline projects and estimated dates of completion), the geographic distribution of the projects, whether or not the project is required to comply with D.C.’s Building Energy Performance Standard (BEPS) requirements, and the level of rent affordability of the project, among other things, as indicated in the Recommendation.

**THEREFORE, IT IS ORDERED THAT:**

22. The Commission **ACCEPTS** and **APPROVES** the Energy Efficiency and Energy Conservation Task Force’s recommendation to select the International Center for Appropriate & Sustainable Technology as the program Implementer for the Deep Retrofit Program in the District;

23. The Commission **DENIES** the Task Force’s recommendation to release the \$11.25 million EEEF Fund plus interest to Pepco to reimburse the Implementer for administrating and implementing the Deep Retrofit Program;

24. The Commission **DIRECTS** the release of \$5.25 million from the EEEF Fund to launch the Deep Retrofit Program and further release of funds to follow after receipt of the annual report in years 2022 and 2023;

25. The Commission **DIRECTS** Pepco to separately account for any upfront payment or periodic progress payments made from the EEEF Fund escrow account to Pepco, as “Restricted cash/funds” on their balance sheet (either in the current or non-current asset portion of the balance sheet);

26. The Commission **DIRECTS** the Task Force to file an annual report with the Commission on the Implementation of the Deep Energy Retrofit Program’s spending, selected properties, and energy savings; amongst other things, with the first report due 14 months after contract execution (or 2 months after the first calendar year of operation); and

27. The Commission **DIRECTS** Pepco to track the total incremental costs associated with implementing the Deep Retrofit Program and to submit the total cost within the 2023 Deep Retrofit Program annual report, for the Commission’s approval.

**A TRUE COPY:**

**BY DIRECTION OF THE COMMISSION:**



**CHIEF CLERK:**

**BRINDA WESTBROOK-SEDGWICK  
COMMISSION SECRETARY**