

November 8, 2022

Memorandum

To: DC Appleseed Center for Law and Justice

From: Covington & Burling LLP

Re: Climate and Energy Resilience Programs in Washington, DC

As requested by the DC Appleseed Center for Law and Justice, this memorandum compiles research on funding for climate and energy resilience programs targeted to low-income, racially diverse communities in Washington, DC.

The first section of this memorandum describes local funding options for individual households in DC. The second describes local funding options for community-based organizations, businesses, and property owners. The third reports on flood control efforts.

Local Subsidies for Individual, Low-Income Households

DC has four main climate-resiliency and clean-energy programs aimed at low-income households: (1) Solar For All; (2) Weatherization Assistance Program (WAP); (3) Income Qualified Efficiency Kit; and (4) Single Family Residential Rehabilitation Program (SFRRP). In addition, DC provides comprehensive energy assistance relief to low-income residents, including with heating, cooling, and water costs. Last, DC has a Lead Pipe Replacement Assistance Program with subsidies for low-income residents, and Home Appliance and Lawn Care Rebates for all residents.

1. [Solar For All](#)

The Renewable Portfolio Standard Expansion Amendment Act of 2016 established DC's Solar For All program, which is funded by the Renewable Energy Development Fund. The Fund is funded through compliance fees paid by electricity suppliers as required by the District's Renewable Energy Portfolio standard. Its total expenditures for FY 2020 totaled \$27,728,450.28. To implement Solar For All, DC's Department of Energy & Environment (DOEE) issues Innovation and Expansion Grants to non-profit and for-profit entities to expand solar access, and DOEE also creates interagency partnerships to provide solar installation to residents.

Participation in Solar For All is fully subsidized, allowing low-income residents to adopt this clean energy system in their home. It takes 15 years to own the panels. To be eligible for Solar For All, household income must fall below 80% of the area median income (AMI) threshold. Eligible residents will receive a community net metering credit, which should offset about 50%

of electric utility bills. The benefits last for 15 years from subscription so long as eligibility requirements are met. People eligible for the Low Income Home Energy Assistance Program (LIHEAP) or the Clean Rivers Impervious Area Change are certified for 12 months from the enrollment date. In addition, renters who otherwise satisfy eligibility requirements are eligible to save up to \$500 annually through Solar For All.

The DC Sustainable Energy Utility (DCSEU) is an interagency partner of DOEE that installs solar systems for low- and moderate-income residents and at community sites. In its [2021 annual report](#), DCSEU reported it spent \$10,281,593 on Solar For All and completed 122 single-family installations and 23 community renewable energy facility installations.

In March 2022, DOEE [reported data](#) on its investment and impact on low-income communities across DC. In FY 2020, the program installed new solar capacity that can provide benefits of solar energy to 3,103 low- and moderate-income households.

Other jurisdictions provide subsidies up to a certain amount and with a limited budget. For example, the [Maryland FY23 Low Income Solar Grant Program](#) has a budget of \$1 million that is distributed to nonprofit organizations or local governments to support the design and installation of solar energy systems for a limited number of low income households. The program also funds 100% of the solar system installation cost, up to \$25,000 per home, but the overall budget is relatively smaller.

2. [Weatherization Assistance Program \(WAP\)](#)

The WAP provides qualified low-income residents technical and financial assistance to help reduce energy bills. Eligibility is determined via participation in LIHEAP. A local organization will first conduct an energy audit report on the home. Typical projects include insulation, duct sealing, heating and cooling systems repairs, and more. It is a one-time benefit per address. The [emergency mechanical system program](#), which provides for the replacement of existing mechanical systems with high efficiency systems, is available for other needs.

WAP is federally funded at \$829,749. However, DOEE provides [many examples](#) of ways it combines federal and nonfederal funds. For example, in FY 2021, DOEE leveraged \$189,033 to install higher efficiency gas appliances in low income residences receiving weatherization services, and in FY 2022, DOEE leveraged \$446,000, and \$3.7 million in ARP-Department of Treasury funding to enhance weatherization services to clients for roof replacement, gutters, integrated pest management, and more.

Many other jurisdictions have their own version of WAP with similar subsidies for low-income residents.

3. [Income Qualified Efficiency Kit](#)

Low-income eligible DC residents can request an Income Qualified Efficiency Kit, which includes 6 omni-directional LED lightbulbs, an advanced power strip, and a bathroom faucet aerator, to help save on utility bills.

4. [Single Family Residential Rehabilitation Program \(SFRRP\)](#)

The DC Department of Housing and Community Development (DHCD) provides grants up to \$50,000 to an income-eligible household for roof repair (up to \$20,000) and/or an accessibility improvement grant (up to \$30,000). An eligible applicant must own their home, be a resident in that home for three years, be current on taxes, have a credit report showing current payments on mortgages for the last 12 months, and possess homeowners insurance.

5. Energy Assistance

DC has three programs to support with electric, gas, water, and sewer bills: the [Utility Discount Program](#), [LIHEAP](#), and [CRAIC Residential Relief Program](#).

6. Other Programs

If a private portion of the home's service pipe is lead or galvanized, and the public portion is not lead, a residential property owner is eligible for DC's [Lead Pipe Replacement Assistance Program](#). Households below 100% AMI will receive income-eligible assistance of 100% of costs, up to the established cap. Standard assistance is also available for non-income-eligible households up to 50% of costs, not to exceed \$2,500. Many jurisdictions have similar programs.

[Home Appliance and Lawn Care Rebates](#) are available for all DC residents without an income test. Qualifying products are listed online including rebate levels.

Local Subsidies for Organizations and Businesses

DC has several climate resiliency and clean energy programs aimed at organizations, businesses, and property owners. These programs can support low-income residents with community collaboration that benefits all parties. Not all of these programs are line-itemed in the annual operating budget for DOEE, so it is unclear how much funding DC allocates to each.

1. [Affordable Housing Retrofit Accelerator](#)

Owners and managers of qualifying affordable multifamily buildings can apply for training, audit of building, technical assistance, financial and contractor support to make energy efficient upgrades, and financing opportunities. Buildings that are over 50,000 sq. ft. and do not meet the District's Building Energy Performance Standards are prioritized. The building must be primarily residential with 5 or more dwelling units and either: have restrictions that require at least 50% of the building to be occupied by household incomes less than or equal to 80% of the AMI, or the building owner can demonstrate that the rent levels in at least 50% of the dwelling units are affordable to households with same income level.

2. [Gas Efficiency Fund](#)

This income-qualified gas efficiency fund supports projects that improve buildings, neighborhoods, or whole communities through energy efficiency. Only natural gas measures in income-qualified multifamily housing located in DC will be considered. Low-Income Communities are classified as Multifamily Buildings that serve low-income households; "Low-Income Housing" is defined as the District's stock of affordable, low-income housing.

Applicants must be an approved contractor or a property management organization or owner of multifamily affordable housing in DC. Preference will be given to minority-, women-, and veteran-owned contractors. Applicants can receive up to \$500,000 in funding.

3. [Income Qualified Efficiency Fund \(IQEF\)](#)

Similar to the above, this program targets lighting and electrical HVAC energy efficiency only. The program focuses on low-income multifamily buildings and Low Income Service Centers such as shelters and clinics. The application is open to contractors and property managers. Qualifying projects have an income criteria of equal to or below 80% of the AMI or 60% of the state median income in DC. Low income housing is where 66% of the households meet the definition of low-income household. In its [2021 annual report](#), DCSEU reported that its expenditures for this fund reached \$2,217,397.

4. [Equitable Building Electrification](#)

Nonprofit organizations, faith-based organizations, and private enterprises are eligible for up to \$75,000 for equitable electrification and decarbonization of homes and buildings. This program's purpose is to refine the District's path to electrification with respect to the priorities and challenges of disadvantaged communities.

5. [DC Water Cares Multifamily Assistance Program](#)

This program provides water bill assistance to families with fixed and limited incomes. The owner of a multifamily property with 4 or more units must submit an application. There are three ways to be eligible: (1) participation in benefit programs offered through DHHS; (2) residence in an AHU; or (3) income qualification for assistance approved through DOEE.

Potential Flood Control Programs

There is a line-item reference for flood prevention in DOEE's [2023 operating budget](#). In particular, DOEE approved \$2,645,738 for the new [FloodSmart Homes](#) program, which aims to make about 1,000 residential structures in DC's 100-year and 500-year floodplains flood protected. The DC Flood Take Force is currently analyzing comments received on its action plans.

In the past, DC has offered [resilience assessments](#) and potential funding for targeted homes in the Special Flood Hazard Area.