
Responses to Public Comment on Proposed Performance Targets

1. Comment #1

- “I’m a bit confused on how you are tracking the types of projects performed? The language sounds, at points, like the Green Bank is only funding solar, but at other times, it alludes to other Green Projects. I would be very interested to know what types of green projects are being financed, especially at the residential level, and where those projects are occurring. I would also love to see some breakdown on loans provided, credits scores, interest rate, and default. It alludes that you are attempting to make a viable business model, but it may help if that is spelled out more clearly.”
- “I would love to know what all projects can be funded by the green bank? And what requirements are necessary to get financing? I know there are remodeling companies which focus on sustainable building practices, would residents be able to use the Green Bank to fund those projects?”

Answer:

The DC Green Bank team appreciates this feedback on the proposed Performance Targets. We agree that the language that the proposed targets use needs to be improved and clarified, and we commit to doing that as we revise and adopt the targets. In addition, we agree that additional demographic, geographic, and financial information should be part of the information that we track to ensure that our team and the public has access to a more comprehensive picture of where our funding goes, to whom, and based on what criteria.

2. Comment #2

- “It is not clear whether this is a “real” bank. We would be interested in making this our bank, but it is not clear that this is possible, e.g., savings and checking accounts. Just wondering. This would be useful information for a FAQ. Thanks!”

Answer:

We welcome this helpful input, and this comment illustrates the need for our team to be more clear about what we are and also what we are not. DC Green Bank is not a commercial bank and, therefore, does not offer savings or checking accounts or other individual banking services. We loan money to building owners and operators, contractors, and other entities that are pursuing clean energy, energy efficiency, resilient design, transportation electrification, and other high-impact projects that improve the environment, public health, and spur local job growth. The DCGB team launched our new website on March 1, and we have included a FAQ page, in part to be responsive to this input received.

3. Comment #3

- “We suggest that in both areas, and where appropriate, numeric targets be used for the metrics proposed. For example, we recommend setting specific goals for how many

community leaders or stakeholders are to be engaged, and the size of the public that the Green Bank aims to inform about clean-economy concepts. We propose further considering a metric and numeric benchmark specific to District residents, since overall targets are often described using language that references benefits to District residents.

- The Sierra Club urges that these performance targets be revised to contain a target of zero financing for projects that include upgraded, renovated or new gas appliances, whether commercial or residential. The targets should also include zero financing for new connections to the existing gas network. These targets should be described as immediate standards for current project selection, rather than as eventual or aspirational goals for future project selection.
- We propose editing Target SU-1 to read: “Fund AND ADMINISTER ONLY sustainable projects and programs that support decarbonization in the District, improve public health, and conserve natural resources.” Target measurements should be expanded to include a binary assessment of whether a project can be made carbon-neutral with a zero-carbon electricity source.
- The current language treats a focus on carbon neutrality as an aspiration rather than a commitment guiding decisions now. We urge the Green Bank to formalize this commitment into its performance targets. The current language also leaves room for financing technologies that would produce only modest emissions reductions, and because of this, such projects may even conflict with reaching the longer-term goal of citywide carbon neutrality.
- In the Introduction to the proposed targets, the Green Bank commits quite rightly to “leading the way for DC to transition to a green city that runs on 100% renewable energy, for a healthier, more resilient, and sustainable community.” The District cannot run on 100 percent renewable energy if it is still reliant on large volumes of methane gas. Delinking the District’s heating and gas-powered appliances, both commercial and residential, from fossil fuels is essential to that goal. Without adopting a no-gas standard for projects that it finances, the Green Bank cannot “align its investment strategy with DC’s climate plans, including the Sustainable DC 2.0 Plan and the goal to be carbon free by 2050.”
- The Sierra Club recognizes that inclusivity, equity, and access are key to an effective energy transition to a decarbonized clean economy. In this sense, we support efforts to ensure that the Green Bank’s financing mechanisms are available and deployed in all wards, and that gaps in financing are addressed equitably.
- The Sierra Club applauds the Green Bank’s prioritization of its green mission in these targets and urges further clarification of its targets and metrics around its commitment to helping the District achieve carbon neutrality in 2050, just 29 years away. Specifically, we propose adding an additional metric for Target FI-3 (regarding commercializing green investment) that explicitly measures whether the Green Bank has successfully avoided providing financing for fossil-fuel-based appliances or connections. Such procurements do not fulfill the goal of deploying “green investments;” they lock in fossil fuel dependency and are contrary to DC’s climate commitments.

- The Green Bank is among a quiver of tools DC can draw upon to attain our greenhouse gas reduction commitment. The Green Bank’s investment of resources to this commitment should be unequivocal. The Sierra Club urges the DC Green Bank to add specifics to these performance targets to ensure that the Green Bank portfolio supports a range of projects that are compatible with DC’s emissions reduction commitments. We welcome any opportunity to discuss these issues with you in more detail.”

Answer:

The DC Green Bank team appreciates the comprehensive feedback provided by the DC Chapter of Sierra Club. This input is in line with other feedback received during monthly calls between Sierra Club and DCGB staff. In particular, we are committed to providing more specific, numeric metrics to capture our outreach and engagement with District residents and to illustrate that we are touching every part of the District. This approach is in line with both DCGB’s and Sierra Club’s commitment to equity and inclusivity. Furthermore, DCGB is committed to delivering a diverse range of projects across our core focus areas of solar, green buildings, resilient infrastructure, and transportation electrification as we support the city’s push to meet our collective climate, emissions, and equity goals. Lastly, DC Green Bank is committed to accelerating the District’s transition away from fossil fuels, including natural gas, in a way befitting the urgency of the climate crisis. We also believe it is mission critical for us to center equity in our work. We do this in part by ensuring safeguards are in place for a just clean energy transition for our most marginalized neighbors. Specifically, we will take into account the significant race and income disparities in household energy burdens and design our products to help reduce those disparities. We have actively sought and welcome open engagement about how to carry out our mission, including how to balance emissions goals and equity considerations in the best way possible. We are committed to working with the community and our colleagues in government to identify partnerships and pathways to deliver affordable financing that incentivizes recipients of DCGB funding to choose fossil fuel-free equipment and systems.

4. Comment #4

- DC Green Bank should use affordability metrics, like percent area median income (AMI), that more accurately reflects the financial reality for many DC families, including those in the 30-50% range of AMI. Numerical goals for reaching these residents should be included in the Performance Targets. Methane gas systems should be excluded from DCGB funding since it presents health and environmental risks. Performance Targets should also include specific outreach metrics for reaching residents and tenants in Ward 7 and 8, in particular, as well as other ward-based outreach. DCGB website should include more details on DCGB pipeline and emerging projects for transparency and accountability purposes.

Answer:

We welcome the feedback on the proposed Performance Targets from the Audubon Naturalist Society. One of DC Green Bank’s core values is inclusive prosperity, and we are in agreement that too many residents of the District get left out of numerous financing opportunities. We are committed to investing

in these communities and to tracking our progress in closing deals in every ward, with a particular focus on wards 7 and 8. We are similarly committed to tracking our targeted outreach efforts by ward and will deploy ward-based outreach tactics to ensure that all communities are reached by our messaging about the benefits of DC Green Bank and our available financing. In addition, DC Green Bank intends to measure our impact across a suite of clean economy impacts, including estimated generation of clean energy, energy saved and produced, annual and/or lifetime cost savings, technology type of sustainability efforts, number of projects, installed capacity of clean energy systems, expected lifetime savings or generation, and more numeric metrics for impact. DC Green Bank is committed to accelerating the District's transition away from fossil fuels, including natural gas, in a way befitting the urgency of the climate crisis. We also believe it is mission critical for us to center equity in our work. We do this in part by ensuring safeguards are in place for a just clean energy transition for our most marginalized neighbors. Specifically, we will take into account the significant race and income disparities in household energy burdens and design our products to help reduce those disparities. We have actively sought and welcome open engagement about how to carry out our mission, including how to balance emissions goals and equity considerations in the best way possible. We are committed to working with the community and our colleagues in government to identify partnerships and pathways to deliver affordable financing that incentivizes recipients of DCGB funding to choose fossil fuel-free equipment and systems. Lastly, we launched our new website (dcgreenbank.com) on March 1 and we intend to build out a more robust piece of the site that details our closed and upcoming projects so that the community can stay apprised of our work and how we are deploying public resources. We welcome additional conversations on how to make that information easily digestible and accessible.

5. Comment #5

- Include locations and technologies deployed for all DCGB projects.
- Increase and improve stakeholder engagement, specifically by working with ANC leaders and committing to ward-specific outreach strategies.
- Improve transparency by develop a public statement on transparency and accountability and developing a public statement on fossil fuels and a clean energy transition that can support the process of gathering data in line with emerging Performance Targets.

Answer:

We welcome this input from the Transportation and Environment Committee that was verbally delivered DC Green Bank's performance oversight hearing on Monday February 22. We are fully committed to showcasing the locations and technologies deployed for our projects as part of our public engagement – public events, DCGB website, social media, and as something that we actively track through the dealmaking process. In addition, DCGB cannot be successful without deep engagement with critical District stakeholders. In the coming months we will be developing a more robust outreach and engagement strategy that will identify our core audiences and the avenues through which we will build a dialogue with each audience, including targeting engagement based on District ward(s). Lastly, we are in agreement with the committee that good performance targets need to be based on organizational commitments. With that in mind, we will develop a public statement on transparency and accountability as well as on fossil fuels and a clean energy transition. These statements will directly inform how we track data relevant to our community financing.

6. Comment #6

- The targets are too wordy and confusing, they should follow the *Triple Bottom Line* approach (Profit, People, and the Planet), DCGB should closely track how many people attend their events, how many people learn something from the events, and how many people apply for or seek out loans or financial products from DCGB. Lastly, DCGB needs to build a more robust social connection with communities in the city to allow for more interaction and more engagement so that residents know how to get involved and know how to bring others into the fold as well.

Answer:

DC Green Bank is committed to ensuring that the community can fully understand our Performance Targets and how we intend to track progress and success. Although the targets are complex, we fully intend to communicate information about our progress with the public through our website, social media, and public events in a way that makes the information accessible and interactive. In addition, we are fully committed to numerically tracking our outreach and community engagement/education as well as our loan volume and related information, and are in agreement with the suggestion that this information should be shared publicly. DCGB is also committed to providing multiple types of platforms by which all residents of the District can interact with our team and learn about our work and get involved. See answers above for more information on specific numeric targets to be measured.