District Energy Next Steps 3/10/16

The Crystal City/Pentagon City and Courthouse Square Integrated Energy Master Plans (IEMPs) have been completed; results do not point to path forward for district energy in the near-term.

- Based on the results from these in-depth feasibility studies, county staff does not recommend moving forward with district energy implementation in either study area at this time. This recommendation reflects the modest economic savings offered by a district energy system in either study area compared to business-as-usual. However, staff does recommend that a district energy system should be re-evaluated when the County redevelops Court Square West, due to the rapid and ongoing changes that are occurring in the utility industry.
- District energy was anticipated to contribute about 20 percent towards the
 Community Energy Plan's goal of reducing greenhouse gas emissions by 75%
 by 2050. Since the current financial results do not support proceeding at this
 time, staff will place additional emphasis on building energy efficiency,
 transportation efficiency, and renewable energy to replace the district energy
 contribution. The fundamental role of energy efficiency remains key to success in
 meeting the Community Energy Plan goals. Energy efficiency will help maximize
 output of renewables and contribute to community resiliency.
- Overall greenhouse gas emissions from the electric grid have declined in recent years due to conversion of coal plants to natural gas, and the growing contribution of wind and solar power to the grid. This relatively rapid change in the electrical grid was not fully anticipated when the Community Energy Plan effort began five years ago. If this trend continues, as seems likely, these fundamental changes in the electrical grid could make up for almost all of the greenhouse gas emission reductions originally anticipated in the Community Energy Plan to come from District Energy.