

FOR PUBLIC RELEASE



EPA Lead Hazard Reduction SEP Completion Report

A Summary of the Lead Hazard Reduction
Work Completed in the East Chicago Area
on Behalf of Cokenergy

December 12th, 2020



ELEVATE ENERGY
Smarter energy use for all

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Appendix A – Elevate Energy Certification

EPA Lead Hazard Reduction SEP

I. Summary

On October 30, 2018, Elevate Energy, an Illinois not-for-profit corporation (“Elevate”) and Cokenergy entered into an agreement that Elevate would facilitate the participation of eligible residents in the Lead Hazard Reduction Supplemental Environmental Project (SEP) in the East Chicago, Indiana area. Elevate Energy designs and implements programs that reduce costs, protect people and the environment, and ensure the benefits of clean and efficient energy reach those who need them most. In addition, Elevate has over fifteen years of experience with healthy housing programs including lead hazard reduction work. Throughout the duration of the SEP, Elevate screened eligible candidates and selected twelve eligible low-income residences in the targeted area. Elevate also hired Indiana-licensed contractors to perform risk assessments, lead hazard reduction work, and clearance examinations, as well as conducted oversight of the work. All lead hazard reduction work and clearance examinations were completed prior to the extended April 30th, 2021 deadline.

II. Detailed Description of the Lead Hazard Reduction SEP

Elevate Energy removed lead hazards from a total of twelve eligible residences located in a 50-mile radius of East Chicago, Indiana. All households’ annual income fell below 80% of the Area Median Income (AMI) and were occupied by a child under six years of age. Lead hazards were found in areas common of older homes and buildings built before 1978, when lead based paint was banned.

Elevate consulted with health departments to identify and prioritize homes

II Description of Operating Problems and Actions Taken to Correct

To recruit homes for abatement, Elevate met with several organizations and agencies in East Chicago to learn about resources and opportunity areas. However, we continued to encounter challenges in building trust in the community as residents of the area have had a long history of exposure to toxic pollutants. To develop a reputation as a trusted organization, we worked closely with community leaders and were connected to a local church which agreed to advertise the project to their members. This proved to be our best route for recruitment since most of our projects are members of the church and therefore felt comfortable in participating in the program.

Another major challenge faced during the project was a delay in conducting work due to the COVID-19 pandemic which began in March of 2020. To perform lead abatement work, a permit must be obtained from the Indiana Department of Public Health. Due to safety, the health department office closed and therefore a permit to complete the work was not available for our projects. We requested and were granted a six month extension to complete the project. For the safety of all parties, we paused abatement activities until the State began issuing permits again, which delayed project start dates from spring to fall. However, we were able to safely complete our remaining projects with the use of CDC social distancing guidelines and finished ahead of the extended end date of April 2021.

In addition, each City in the East Chicago area has specific licensing and permitting requirements that the contractor had to obtain before work could be completed, such as registration with the City, passage of a written test, and attendance of council meetings to approve the work. With each City’s efforts focused on the pandemic, City’s were difficult to reach and so projects were delayed, but our contractor, America Environmental, was able to meet the requirements.

III. Itemized Cost of Goods and Services Used to Complete the SEP

Service/Property	Paid To	Amount
Risk Assessment		
Property #1	Innerspace Environmental Assessment Inc	\$ 750.00
Property #2	Innerspace Environmental Assessment Inc	\$ 1100.00
Property #3	Innerspace Environmental Assessment Inc	\$ 600.00
Property #4	Innerspace Environmental Assessment Inc	\$ 750.00
Property #5	Innerspace Environmental Assessment Inc	\$ 750.00

Service/Property	Paid To	Amount
Property #6	Innerspace Environmental Assessment Inc	\$ 750.00
Property #7	Innerspace Environmental Assessment Inc	\$750.00
Property #8	Innerspace Environmental Assessment Inc	\$750.00
Property #9	Innerspace Environmental Assessment Inc	\$750.00
Property #10	Innerspace Environmental Assessment Inc	\$750.00
Property #11	Innerspace Environmental Assessment Inc	\$750.00
Property #12	Innerspace Environmental Assessment Inc	\$750.00
Total		\$9,200.00
Relocation		
Property #1	Not Applicable	-
Property #2	Resident	\$3,576.00
Property #3	Resident	\$894.00
Property #4	Resident	\$894.00
Property #5	Resident	\$1,127.00
Property #6	Resident	\$1,127.00
Property #7	Resident	\$1,127.00
Property #8	Resident	\$805.00
Property #9	Resident	\$1,127.00
Property #10	Resident	\$805.00
Property #11	Resident	\$805.00
Property #12	Resident	\$1,288.00
Total		\$13,575.00
Abatement		
Property #1	Safe Environmental	\$29,652.00
Property #2	Safe Environmental	\$21,050.00
Property #3	Safe Environmental	\$12,650.00
Property #4	Safe Environmental	\$15,690.00
Property #5	America Environmental	\$23,800.00
Property #6	America Environmental	\$22,700.00
Property #7	America Environmental	\$7,800.00
Property #8	America Environmental	\$6,200.00
Property #9	America Environmental	\$20,450.00
Property #10	America Environmental	\$8,250.00
Property #11	America Environmental	\$14,700.00
Property #12	America Environmental	\$6,889.04
Total		\$189,831.04
Clearance		
Property #1	Innerspace Environmental Assessment Inc	\$750.00
Property #2	Innerspace Environmental Assessment Inc	\$795.00
Property #3	Innerspace Environmental Assessment Inc	\$1,095.00
Property #4	Innerspace Environmental Assessment Inc	\$1,030.00
Property #5	Innerspace Environmental Assessment Inc	\$1,095.00
Property #6	Innerspace Environmental Assessment Inc	\$1,095.00
Property #7	Innerspace Environmental Assessment Inc	\$900.00
Property #8	Innerspace Environmental Assessment Inc	\$1,095.00
Property #9	Innerspace Environmental Assessment Inc	\$1,095.00
Property #10	Innerspace Environmental Assessment Inc	\$1,095.00

Service/Property	Paid To	Amount
Property #11	Innerspace Environmental Assessment Inc	\$1,095.00
Property #12	Innerspace Environmental Assessment Inc	\$1,095.00
Total		\$12,235.00
Other		
Elevate Admin Fee ¹	Elevate Energy	\$24,999.00
Travel		\$159.96
Total		\$250,000.00

IV. Certification of Lead Hazard Reduction Completion

Please reference these documents in Appendix A.

V. Description of the Environmental & Public Health Benefits from the SEP

Program Impact on Families Served

All the families assisted through the SEP project were unable to afford the repairs needed to make their homes safe. Elevate was excited to support these projects in alignment with its mission and took a long-term abatement approach to addressing hazards to ensure lead safety for generations to come. Because of the SEP, all homes are in a lead safe condition removing the risk of lead poisoning for approximately 29 children at the time of completion.

Environmental and Public Health Benefits

To demonstrate the social and economic benefits of household lead paint hazard control programs, economist Elise Gould² conducted a cost-benefit analysis, in which she determined that each dollar invested in lead hazard control results in a return of \$17-\$221. These benefits include:

- a reduction of attributed healthcare costs,
- increase in the household’s lifetime earnings,
- increased tax revenue,
- a reduction in the need for special education services, and,
- a reduction in the direct costs of crime.

When applying this cost-benefit analysis to the East Chicago SEP project, the long-term benefits experienced by families served and the local community will range from \$3,825,000 to \$49,725,000, respectfully.

VI. Appendix

¹ Elevate Energy Administrative Fee was capped at 10% of the total SEP project (\$250,000) or \$25,000.

² Gould, E. (2009). Childhood Lead Poisoning: Conservative Estimates of the Social and Economic Benefits of Lead Hazard Control. *Environmental Health Perspectives*, 117(7), 1162–1167. <http://doi.org/10.1289/ehp.0800408>

Appendix A – Certificate of Completion

322 S. Green Street, Suite 300
Chicago, Illinois 60607
T : 773.269.4037
F : 888.335.3261
ElevateEnergy.org



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Certification of Completion

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Corporate Secretary of Elevate Energy, an Illinois not-for-profit corporation (the “**Corporation**”), and as such am authorized to execute and deliver this Certification of Completion in the name, and on behalf, of the Corporation, and:

I further certify that the supplemental environmental project (the “**SEP**”) as defined in that certain Memorandum of Agreement (the “**Agreement**”) dated as of October 30, 2018 by and between Cokenergy, LLC and Elevate Energy has been completed in compliance with the Agreement.

IN WITNESS WHEREOF, the undersigned, has executed and caused this Certification of Completion to be delivered as of the 14th of December, 2020.

Michelle L. Thoma-Culver, Corporate Secretary
Elevate Energy