

Agenda Item 3 05/28/14  
Handout from Carol Biedrzycki

Excerpt from:

Austin Energy's Resource, Generation and Climate Protection Plan to 2020 Update  
Stakeholder Questions and Answers

pp. 17 to 19

The excerpt is information provided by Austin Energy regarding recommendations in paragraph 6 of the November 2009 Generation Resource Planning Task Force Recommendations to **Reduce Bill Impact on Those Least Able to Pay**

The full document can be found at:

<http://austinenenergy.com/wps/wcm/connect/39e306f1-807b-4c02-b30e-568a13ea422b/Stakeholder+QandA+FINAL.pdf?MOD=AJPERES>

Q. How is Austin Energy's relationship with its customers different from being an ERCOT member?

A. Austin Energy has been a member of ERCOT since its inception in 1970. Austin Energy continues to serve its retail customers as it always has while maintaining its participation in the ERCOT wholesale market.

Q. Since Austin Energy has already reached its renewable portfolio goal, is updating the Climate Protection Plan the only way to expand the goals?

A. Yes.

Q. Does Austin Energy know anything about fracking or the impacts of it? I am requesting that everyone who works there watch Gasland 2. This is real and shows how fracking impacts the people who live in fracking zones.

A. The staff of Austin Energy keeps abreast of industry issues such as fracking for gas exploration.

Q. **Reduce Bill Impact on Those Least Able to Pay.** Projected future increases in energy prices will burden the poorest in our community the most. Utility bills often represent the second highest bill facing a family, after the cost of housing. It is an ethical obligation that The City of Austin ease the burden on those least able to bear it.

The Task Force recommends:

- a. expanded programs for low income citizens to reduce the energy intensity of their homes; in light of the recent Recovery Act funds available to the City of Austin for weatherization, and other potential sources of money for energy efficiency, Austin Energy should raise its own income criteria to a minimum of 200 percent of poverty and continue the program beyond the date the Recovery Act requirements terminate in 2011;
- b. Austin Energy should explore mechanisms to make energy efficiency programs available to those with incomes between 200 and 400 percent of the federal poverty guideline, such as rebates, loans or some combination; as part of this effort, Austin Energy should conduct a study specific to Austin Energy to determine income levels, energy burden and population sizes for residential consumers with household incomes up to 400 percent of the federal poverty guideline;
- c. Austin Energy should find ways and seek grants from other sources to make distributed energy generation resources available and affordable for low and medium income households (after they have been weatherized) as a hedge against future increases in energy prices;
- d. the City Council should act aggressively to assure that rented living spaces, which are disproportionately populated by lower income citizens, are given special attention through energy efficiency program outreach; and

- e. any future generation planning group should include representatives of residential and low income consumers knowledgeable about energy affordability issues and solutions. March 14, 2014

**Q. What has Austin Energy done to fulfill recommendation 6.a? Please describe all programs and policies implemented and annual budget and expenditures.**

**A.** While the minimum income criteria has not been raised, Austin Energy's current criteria for free weatherization is 200% of federal poverty. Austin Energy has increased the annual budget funding amount for weatherization assistance for low-income customers and also has raised the amount spent per household from \$1,100 to \$5,400 per home.

Austin Energy has budgeted around \$1.8 million in FY 2014 to weatherize up to 200 households for customers who participate in the Customer Assistance Program. These customers qualify for this program based on the entitlement program received within the household which is only provided to homes at the 250% of FPIL.

**Q. What has Austin Energy done to fulfill recommendation 6.b? Please describe all programs and policies implemented and annual budget and expenditures.**

**A.** Following the federal stimulus grants, Austin Energy is expanding energy efficiency programs using the lessons learned from the federal grants. For example, Austin Energy is expanding the low-income Weatherization Assistance Program by funding and installing more comprehensive energy conservation measures. With the Home Performance with Energy Star program for residential customers, Austin Energy is expanding the incentive program to include both rebates and low interest, unsecured loans up to \$25,000 that include solar systems. Austin Energy also has enhanced its multifamily program to encourage more comprehensive retrofits that are expected to increase the average savings achieved per apartment unit. The newest offering includes items such as infiltration reduction and water saving devices.

Additionally, Austin Energy conducts a yearly Affordable Energy Policy Summit where these types of recommendations are discussed with all community advocates. These recommendations are then studied to determine feasibility and costs. This topic will be one that is included in this year's Summit currently scheduled for June 24, 2014.

**Q. What has Austin Energy done to fulfill recommendation 6.c? Please describe all programs and policies implemented and annual budget and expenditures.**

**A.** From 2009 through 2012, Austin Energy applied and received a total of \$28 million for energy efficiency improvements in Austin. These funds were successfully implemented to save energy in the Austin service area, increase local economic activities and create local jobs.

Austin Energy continues to look at all appropriate avenues for funding all of its assistance programs. The ARRA Program is a good example of an opportunity that was in line with Austin Energy's goals and therefore secured. We continue to do the same type of research and when those opportunities align with Austin Energy goals then we proactively seek them out for future programming.

**Q. What has Austin Energy done to fulfill recommendation 6.d? Please describe all programs and policies implemented and annual budget and expenditures.**

**A.** Rented living spaces that are disproportionately populated by low-income citizens are given special attention through energy efficiency program outreach.

Austin Energy currently has expanded its programming to reach out to low-income customers regardless of whether they are homeowners or renters. Additionally, Austin Energy has a team that is dedicated to doing outreach for this customer base. For example, a Community Resource Fair is conducted annually and targets low-income households. This team also conducts summer outreach activities in low-income neighborhoods to assist them in reducing their usage during the high summer months.

**Q. What has Austin Energy done to fulfill recommendation 6.e? Please describe all programs and policies implemented and annual budget and expenditures.**

**A.** Austin Energy continues to work with the community and advocates. Over the past few years there has been significant involvement of these groups in Austin Energy's program design and implementation, rate design, regulation changes and policy recommendations.

Austin Energy has increased the funding support for the utility low-income Customer Assistance Program (CAP) by introducing a Community Benefits Charge in the electric bill to fund and support assistance services for low-income customers burdened with high monthly utility bills. Austin Energy also has increased funding for low-income weatherization assistance from \$850,000 to an estimated \$2,350,000 in FY 2014.

Austin Energy enlisted low-income stakeholder representatives and other community representatives to participate in public meetings to solicit their input and feedback on new utility program services. Input has focused on communication and behavioral change as ways to support the low-income community. Participants reported that Austin Energy's energy efficiency programs could be enhanced by letting customers know more about them. Stakeholders also acknowledged that behavior plays an important role in saving energy. Creating education and outreach that focuses on energy-saving activities at no and low cost, would benefit the low-income community.

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