



Austin Energy
Weatherization Program
Low Income Consumer Advisory Task
Force
February 27, 2015



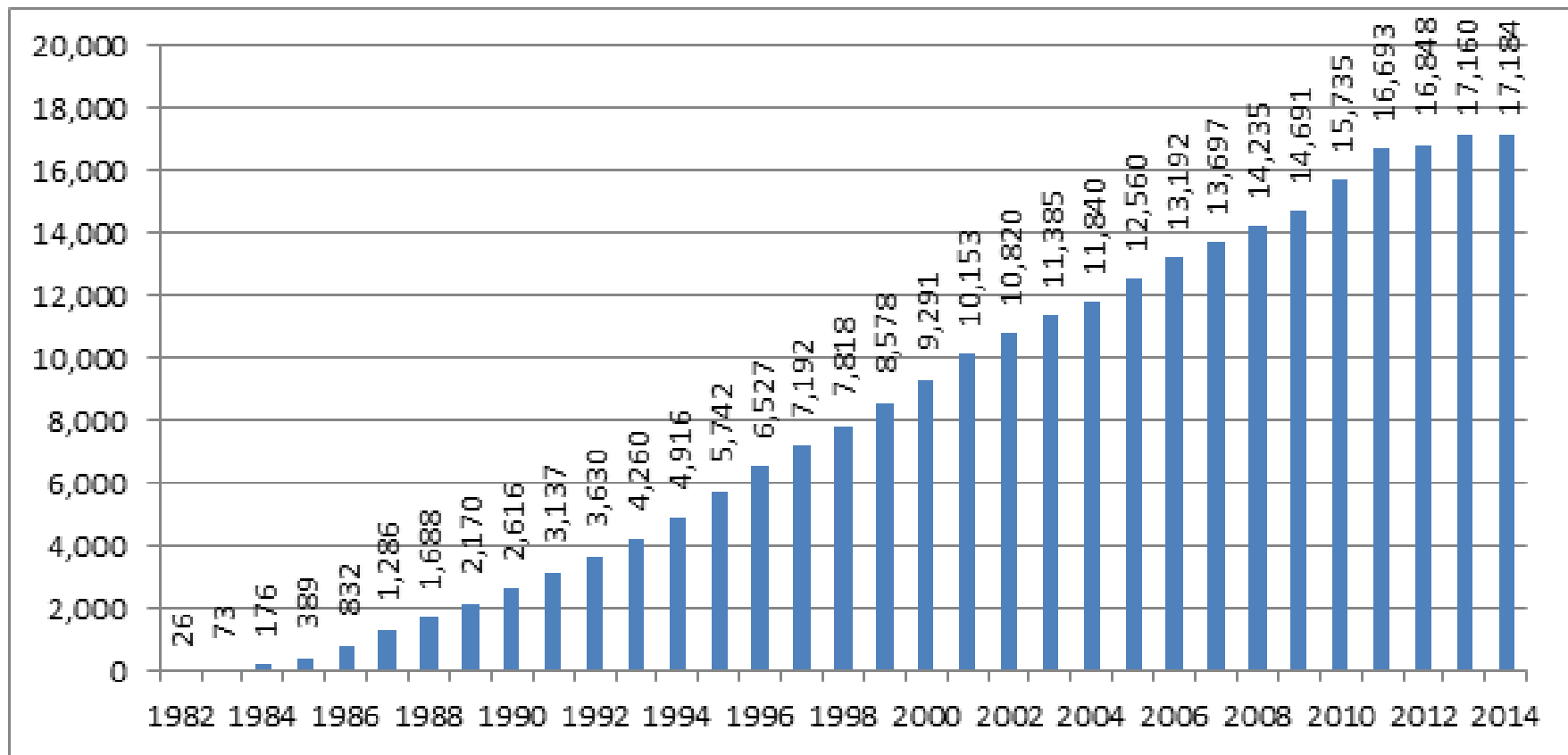


Overview of Discussion

- Historical weatherization program and AE funding
- Low income weatherization measures and costs
- Funding and expenditures to date
- Comparison of residential and multifamily programs
- Staff input on low income program challenges and opportunities for enhancement
- Outreach and recent enhancements in program administration
- Response to citizen input shared to date

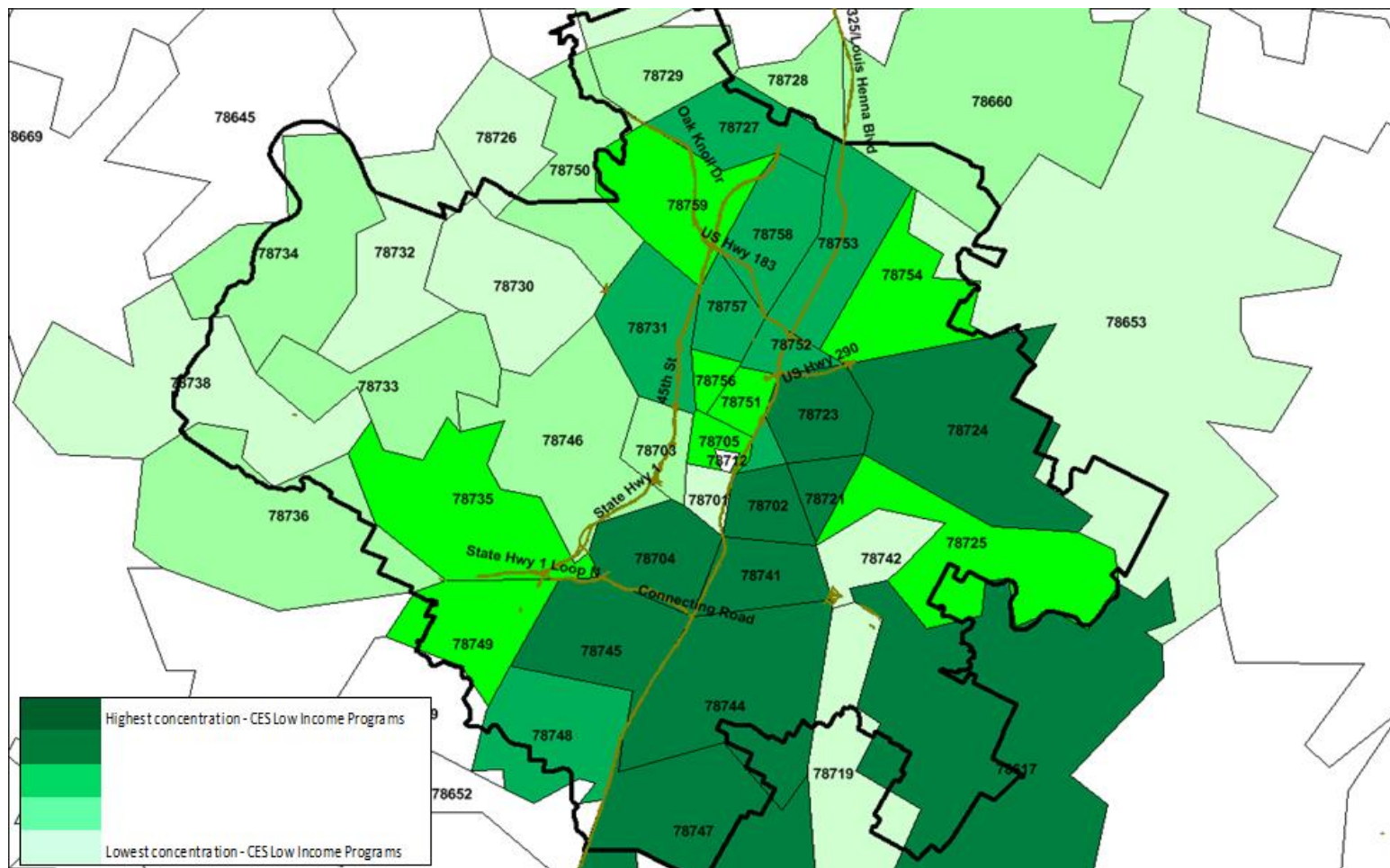


AE Homes Weatherized





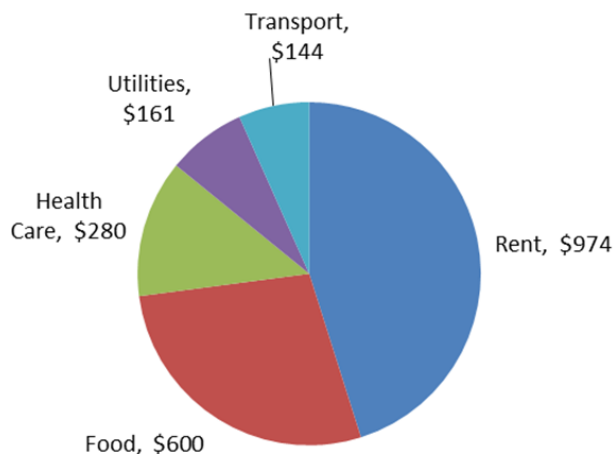
17,201 Homes Weatherized by AE





Energy Burden - Residential

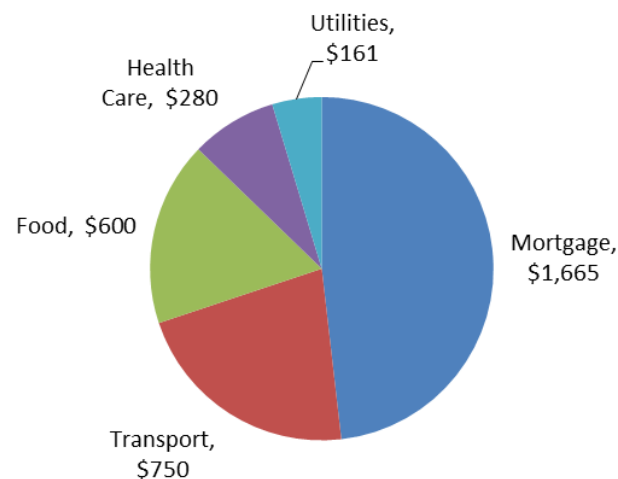
Median Household Costs - Renters



Average Cost = \$2,159

- Utilities 7% of total
- Utilities include water, electric & gas

Median Household Costs - Owners



Average Cost = \$3,456

- Utilities 4% of total
- Utilities include water, electric & gas



Reduce Energy Burden

1. Lower electric portion of the bill
2. Avoid purchasing additional generation



AE established Community Benefit Charge*

- Customer Assistance Program (CAP)
- Energy Efficiency Rider
- Streetlight (inside city limits)

* Established in 2012



AE CAP Funding

AE tariff collects roughly \$10 million annually

- Collected from all customers except CAP customers

Funds

- Bill Payment - Discount and Plus 1 Programs
- Additional Weatherization

Discount Steering Committee

- Council appointed committee consisting of Low Income and Non-profit Organizations
- Provides guidance for the CAP funding



AE CAP Eligibility

A person in household participating in one of these:

- Medicaid Program
- Supplemental Nutrition Assistance Program (SNAP)
- Children's Health Insurance Program (CHIP)
- Telephone Lifeline Program
- Travis County Comprehensive Energy Assistance Program (CEAP)
- Medical Access Program (MAP)
- Supplemental Security Income (SSI)

In FY15, 43,000 AE customers are eligible for the CAP program.



AE CAP Bill Payment

Utility bill discounts up to an average of \$650/year.

- Electric Service Customer Charge waiver (\$10.00)
- 10% Discount on your total electrical usage (\$10.09*)
- Discount on your Community Benefit Charge (\$1.72*)
- Water Service Customer Charge waiver (\$7.55)
- Water Tiered Fixed Charge waiver (\$7.65)
- Water Volume Charge discount (\$14.94**)
- Wastewater Service Customer Charge waiver (\$10.00)
- Drainage Fee 50% discount (\$4.90)

* Based on 1,000 kWh per month

** Based on 10,000 gallons per month



AE CAP Education

- Budgeting & financial management
- Energy and water conservation
- Understanding your bill
- Tenant rights
- Safety hazards
- Indoor air quality

FY 14 Education Class Hours	
English Classes (4hrs)	23 classes
Spanish Classes (4hrs)	7 classes
Home Classes (2 hrs)	9 classes
TOTAL	138 hours



Customer Benefits Charge Funding Weatherization

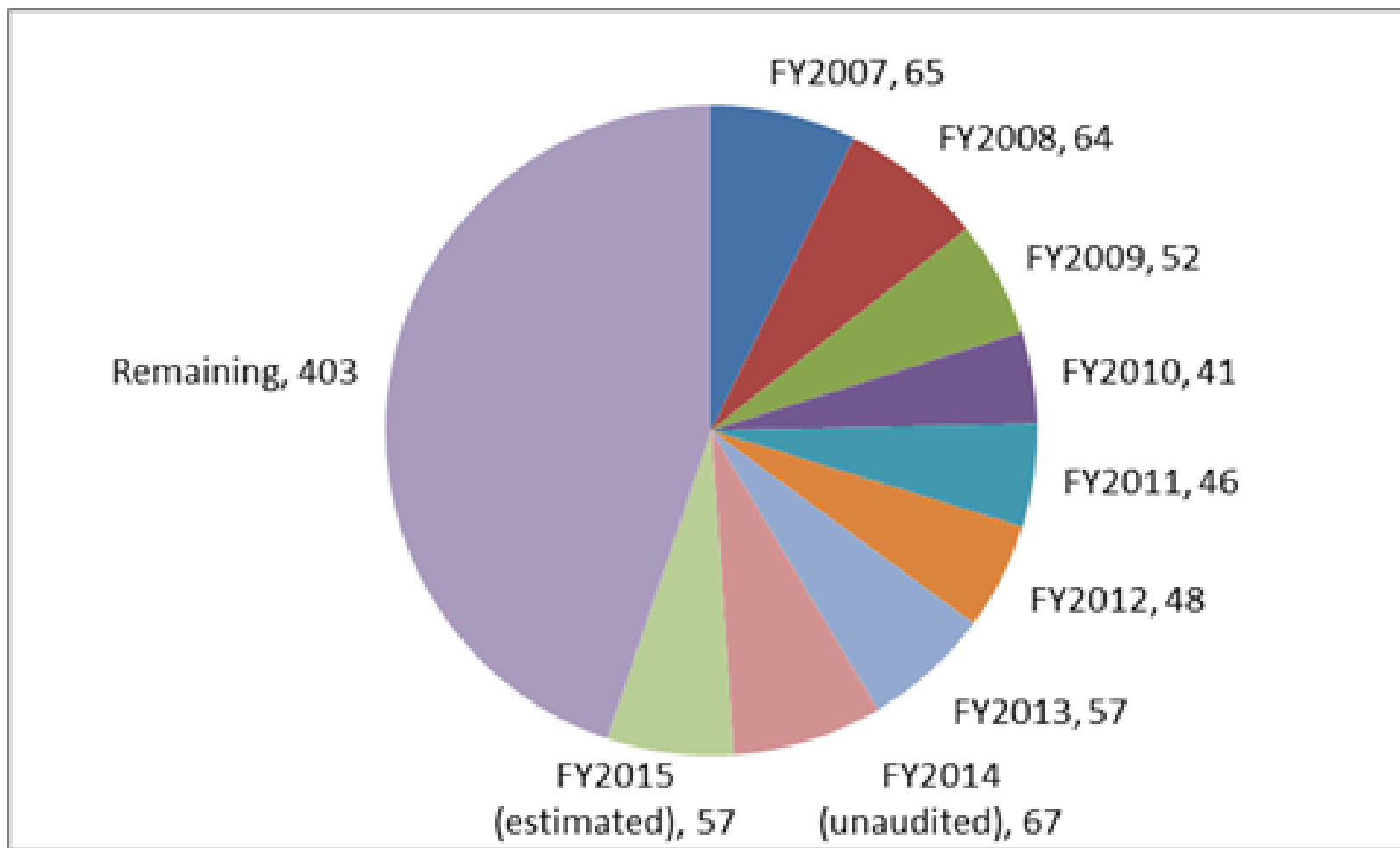
CAP				EE	TOTAL
	Authorized Budget	Spent	Difference	Spent	Spent
2013	\$1,000,000	\$75,728	\$924,272	\$477,567	\$553,295
2014*	\$1,000,000	\$1,374,646	(\$374,646)	\$507,000	\$1,881,646
<u>2015**</u>	<u>\$1,000,000</u>	<u>\$1,105,892</u>	<u>(\$105,892)</u>	\$0	\$1,105,892
	\$3,000,000	\$2,556,266	\$443,734	\$984,567	\$3,540,833

*2014 Unaudited

**2015 Currently obligated as of February 25, 2015



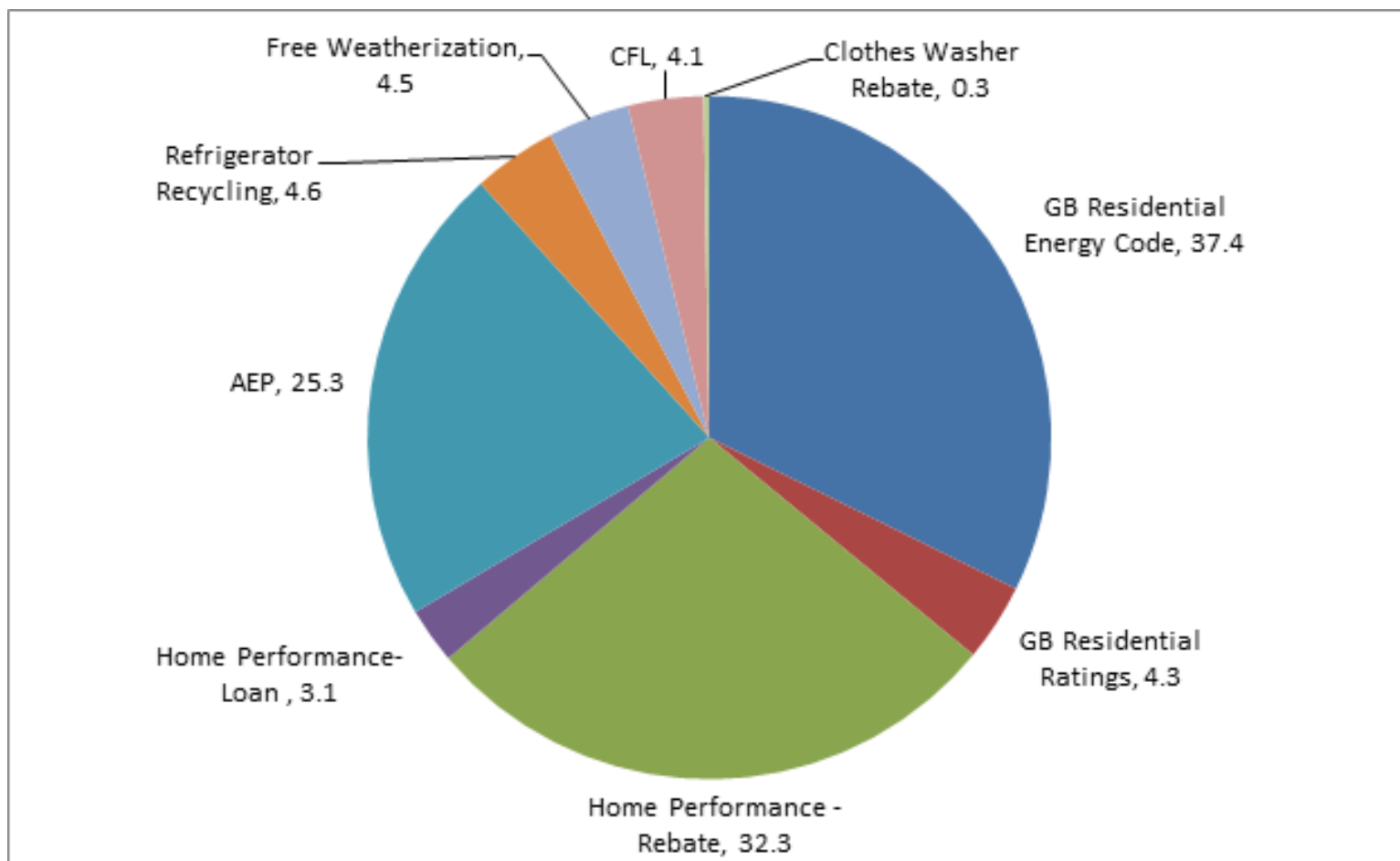
EE Customer Benefit Charge – Reducing Peak



Progress to 900 MW Goal

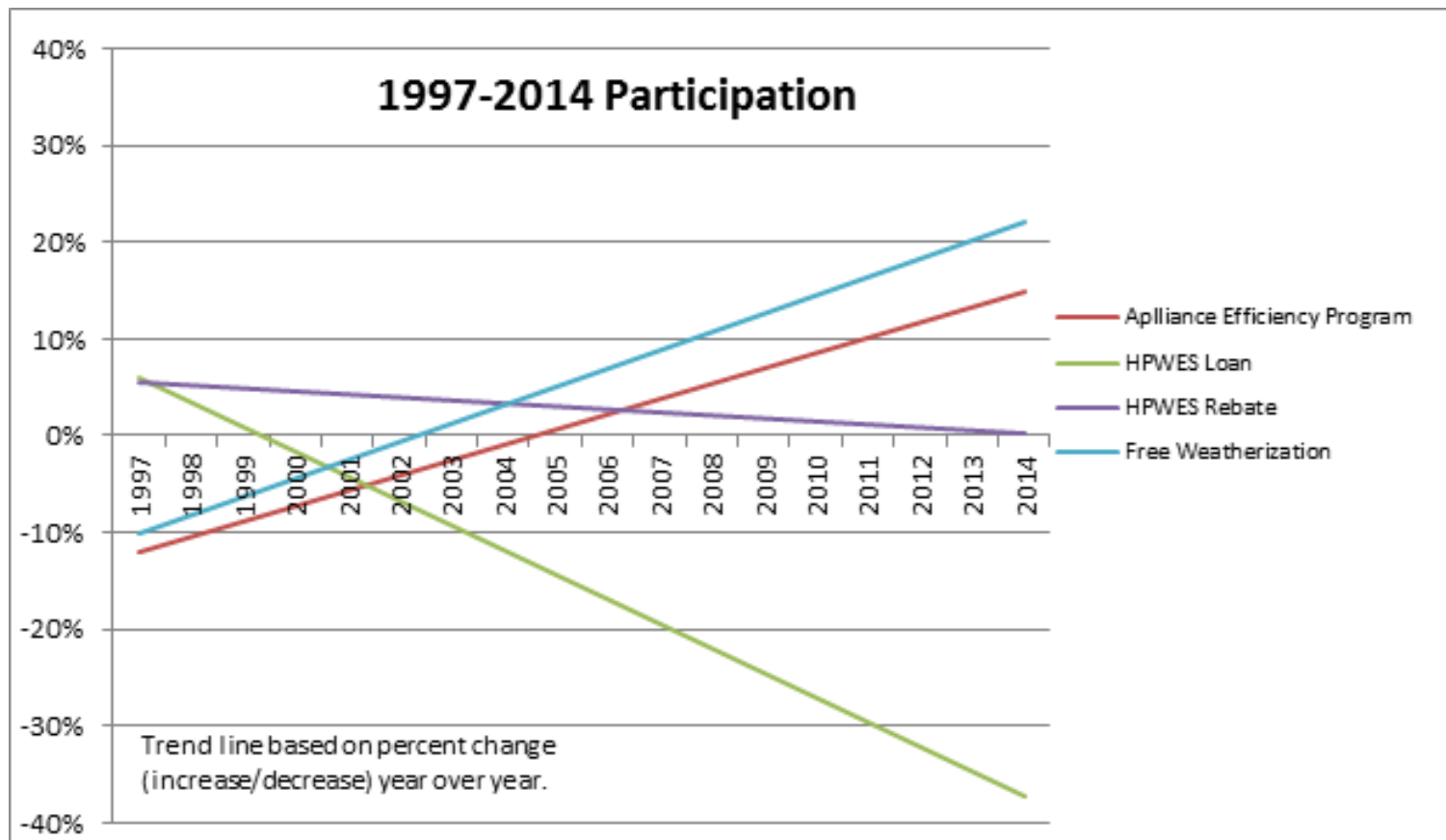


Megawatt Savings 2007-2014 Residential Only



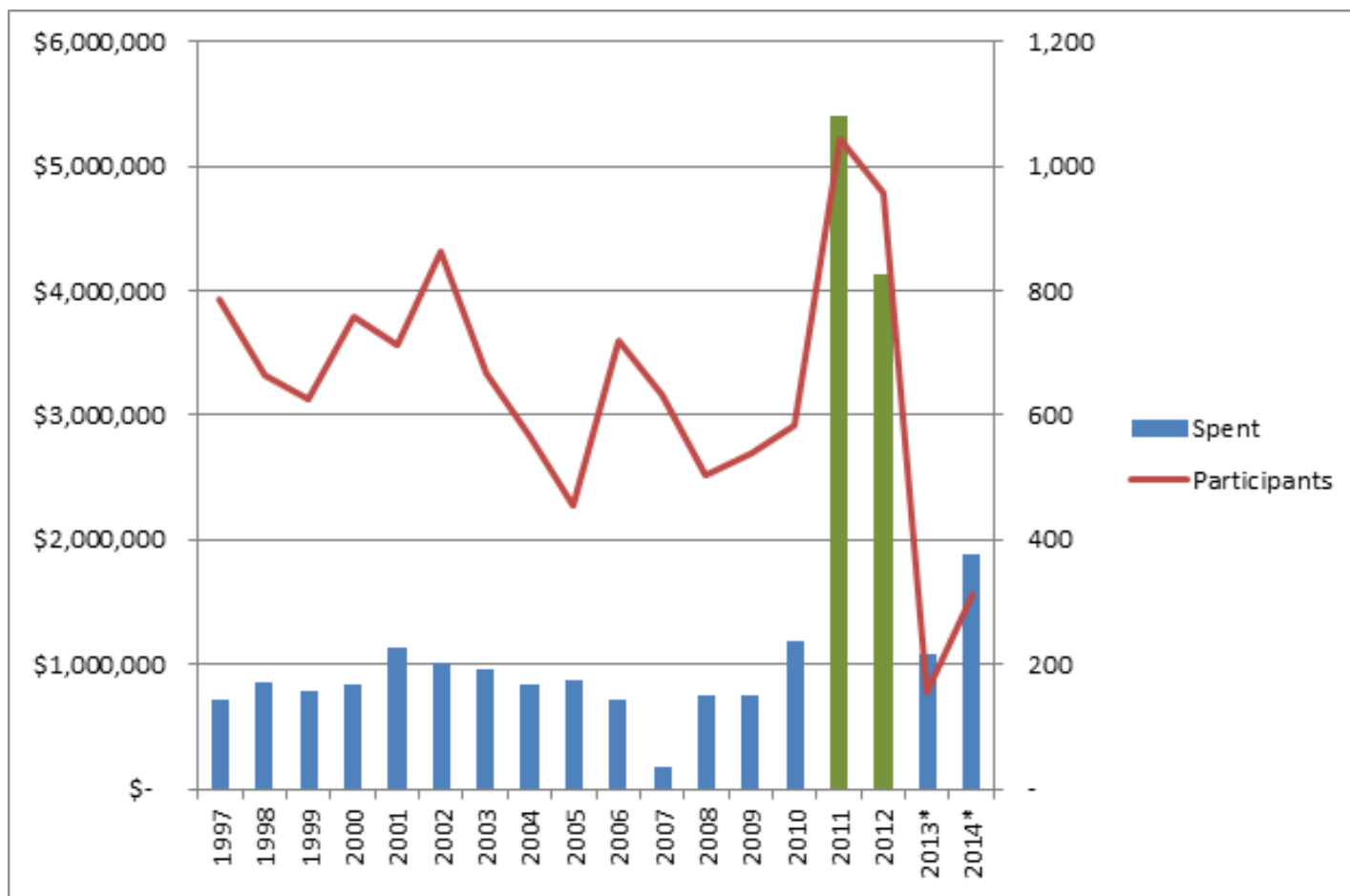


Residential Program Participation



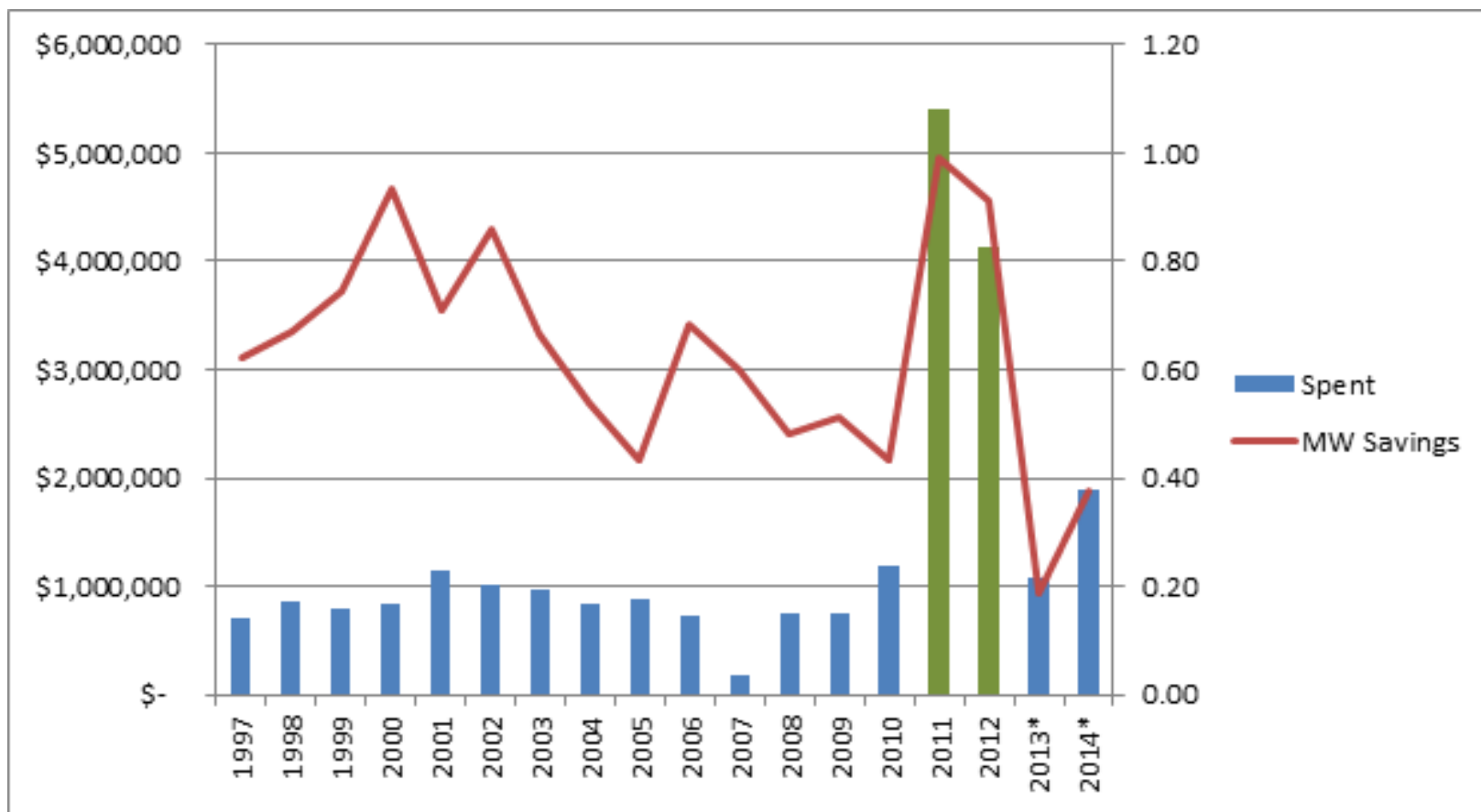


Historical - AE Weatherization Dollars Spent





Historical - AE Weatherization MW





2015 Intake to Date

10,509 CAP Customers

- 1,389 Home exceeded 2,000 sq ft
- 441 Home Improvement Value exceeded \$250,000
- 561 No contact information
- 199 Multifamily
- 3,657 Potential renters
 - 2,327 In prescreening phase



Weatherization Program Pipeline

Contractors	Total Applicants Assigned	# Unable to Contact YTD	# Home Assessment YTD	# Home Assessment in Pipeline	# Unable to Serve YTD
Air Tech	51	3	12	18	13
American Conservation	50	1	16	20	9
American Youth Works	46	4	7	17	11
City Conservation	51	0	21	6	20
Climate Mechanical	43	4	17	4	10
Conservation Specialists	51	1	8	24	11
Go Green	64	4	21	26	15
McCullough Heating & Air Conditioning	49	2	15	15	17
Valdez Remodeling	48	8	13	4	20
To be assigned	112		2		15
Total	565	27	132	134	141



Weatherization Program Pipeline

Contractors	# Bid Approval YTD	# Bid Approval in Pipeline	Test-Out YTD	Test-Out Pipeline	# Passed Inspections YTD	# Failed Inspections YTD	# Homes Completed	Incentives Paid to Date
Air Tech	10	1	1	2	1	0	1	\$ 707
American Conservation	19	0	10	2	10	0	10	\$ 36,379
American Youth Works	11	3	4	1	2	1	3	\$ 3,627
City Conservation	22	1	14	3	8	5	14	\$ 48,180
Climate Mechanical	12	2	4	3	3	1	3	\$ -
Conservation Specialists	13	0	10	0	9	0	10	\$ 32,143
Go Green	21	1	12	6	11	1	12	\$ 37,218
McCullough Heating & Air Conditioning	16	2	11	2	9	1	10	\$ 23,066
Valdez Remodeling	14	0	2	3	2	0	2	\$ 1,210
Total	138	10	68	22	55	9	65	\$ 182,531

- Average 77 Days in the Process compared to over 120 days in 2014
- Same time last year, 75 homes were in the pipeline compared to the 138 currently. Simplified list of measures resulted in less days to deliver.
- Number of days for weatherization completion of homes vary greatly depending on the contractor. It ranges from 48 days to 125 days.



Weatherization Measures

	\$/Home Ave	Air Infiltration	Attic Insulation	CFLs	Fire & CO Monitor	Solar Screens	Refrigerators	Duct Replacement	HVAC - Window	HVAC - Central
Pre-AARA	\$1,200	✓	✓	✓	✓	✓		Up to \$500		
AARA	\$5,000	✓	✓	✓	✓	✓	✓	✓		✓
2013-14	\$5,990	✓	✓	✓	✓	✓	✓	✓		✓
2015	\$3,500	✓	✓	✓	✓	✓		✓	✓	

- GDS of Weatherization Best Practices currently in draft and under review
- Program has made bulk purchases of CFLs and low flow water devices; reviewing bulk purchasing of window AC units



Comparing Window to Central AC

	Cooling to Space	Energy Use	Potential Issues	Cost
Window AC	100%	Less	Winter cover required Conditions only one room	\$100 - \$800
Central AC	57%	More	Leaky ductwork in non-conditioned space Non-programmed stats Required seasonal maintenance	\$3,000 to \$10,000*

*If ductwork is updated



Process Enhancements - Customer

- Reduced number of home visits
 - Coordinated inspections with contractors and other agencies
 - Obtained landlord authorization prior to inspection
 - Increased the number of attempts to contact customer
 - 1-AE staff (min. two calls & letter; for high energy users, home visit)
 - 2-Contractors (min. two calls, some also sending letters and home visit)
 - 3-Door Hangers & Postcards (in development)
- Reduced process time by 40%
- Increased access to bilingual staff
- Increased number of customers in the program
- Enhanced the education



Process Enhancements - Contractor

- Modified contract “batch processing” to individual projects
- Updating to 2014 pricing, equating to ~30% increase
- Reduced scope conflicts with joint AE/Contractor assessments
- Standardized AE contact by contractor
- Provided technical training along with monthly coordination meetings
- Enhanced processes based on contractor feedback



Process Enhancements - Utility

- Automated process
- Expanded inspection and contact capacity
- Reduced the number of invoices
- Established weekly meetings
- Hired contract workers to temporarily expand workforce



Program Enhancements - Community

Expand Communication

- Increased communication to subcommittees, boards & commissions
- Increased awareness of usage via app
- Updated web-site
- Provided information in the Power Plus Newsletter
- Identified potential candidates when they called for high bill and other concerns
- Participated in community events
- Leveraged and coordinated the efforts of other organizations



Partnerships

Strategic Partners

- Austin Water Utility
- Texas Gas Service

Home Repair & Assistance Partners (Exchange Referrals)

- A Brush with Kindness
- Austin Area Urban League
- Austin Housing Finance Corp.
- Hands on Housing
- Meals on Wheels and More
- The Texas Veterans Land Board
- Family Eldercare
- Environmental Health Services
- Austin Tenants Council
- Legal Aid of Central Texas
- Travis County
- Interfaith Action of Central Austin – Faith in Action Caregivers
- Travis County Housing Division: HHS & Veterans Services
- Neighborhood Housing and Community Development





SUSTAIN ENERGY USE REDUCTION

- Awareness
 - Engage customers in the residential app and other tools to monitor their usage
- Expand reach of behavioral programs
 - Focus on education as an effective tool in energy savings
 - Follow up on energy consumption and increase awareness of ways to alter behaviors
- Cross promote with other organizations



PROCESS IMPROVEMENTS

- Increase the number of participating contractors
- Further simplify the process
- Enhance the intake
- Review the sharing of additional information with Partners
- Purchase window AC units and CFLs in bulk
- Shift more of the work to winter months



PROGRAM ENHANCEMENTS

- Maintain current weatherization measures
 - Duct seal, air infiltration, attic insulation, solar screens, CFL, CO & smoke detectors, window AC
- Add water heater pipe wrap
- Provide window units in absence of AC
- Assess viability of solar
- Assess feasibility of multifamily low income option



DELIVERY OPTIONS

- Review alternative approaches
 - Multifamily
 - Voucher
- Review suppliers installing bulk purchases such as window AC units to reduce costs and ensure quality installation
 - Review loan options
 - Sliding scales based on ability to pay
 - Interest rate buy down
 - Increase number of years for loan payback
 - Reduce required credit score



Weatherization Funds

AE Customer Benefit Charges obtained via utility tariff

- Due diligence of ratepayer collected funds
- Coordination of efforts currently in place
- AE has the weatherization and certification expertise
- AE program has been in place since 1982 with over 17,000 homes weatherized
- Legal and CFO input would be required along with Council prior to any change in the current approach



City of Austin - Austin Energy
Customer Energy Solutions

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Thank You!

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