

From: Carol Biedrzycki [REDACTED]

Sent: Wednesday, April 01, 2015 11:04 AM

To: Ott, Marc

Cc: Goode, Robert; Bartlett, Sady; Jambor, Elizabeth; Kimberly, Debbie; Kuehn, Denise; Mendoza, Ronnie; Timothy Arndt [REDACTED]; Weis, Larry

Subject: Low Income Advisory Task Force Preliminary Report

Dear City Manager Ott:

The attached document is a work product of the Low-Income Consumer Advisory Task force. It contains preliminary recommendations and recommendations being considered that may affect the budget process. The document was reviewed by the task force members and Austin Energy staff involved in the task force meetings. The next step is for the task force to further develop its recommendations for a final report in early June.

In addition to making these early recommendations the task force expressed its support for the engineering consulting contract that is awaiting review by the City Council Austin Energy Oversight Committee. The following is language reviewed as part of the Task Force's preliminary report:

Recommend approval of the rotational engineering consulting contract under consideration by Council (RFP# OPJ0112) to support the task force recommendations by conducting studies on relevant topics such as:

- measuring and evaluating energy, demand, and other savings from home repair projects that include utility program weatherization measures,
- the net effect of affordability in multifamily communities from increased energy efficiency supporting Resolution No. 20130523-069,
- market potential for energy efficiency in rental properties with less than 5 units,
- appropriate incentive levels for multifamily properties in consideration of the debt servicing costs of PACE or other financing mechanisms, and
- program delivery by neighborhood.

Special thanks to Robert Goode, Sady Bartlett, Debbie Kimberly, Denise Kuehn, Liz Jambor, Ronnie Mendoza, and others who have provided invaluable support to the task force

Please advise me if there is any further action the task force should take at this time. The task force members have taken the charge that has been given to heart and have been very thorough up to this point in time. We have plans for the next two meetings to learn more about important subjects such as financing programs and program design that will impact the final report.

If you have any questions, please do not hesitate to contact me.

Sincerely,

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LOW-INCOME CONSUMER ADVISORY TASKS FORCE
PRELIMINARY RECOMMENDATIONS AND
RECOMMENDATIONS BEING CONSIDERED
April 1, 2015

The Low-Income Consumer Advisory Task Force discussed the following list of preliminary recommendations and other recommendations being considered at its March 27, 2015 meeting. The recommendations conveyed here are being considered for inclusion in the Task Force's final recommendations that will be completed in early June. The following recommendations focus on those that may affect the budget process. On a preliminary basis, we recommend to City Council that:

1. The fiscal year 2016 weatherization budget include funding equal to the current annual budget for energy efficiency services targeted to low-income customers and CAP (Customer Assistance Program) weatherization plus all funds that were budgeted for all low-income programs over the past three years that were not expended. In addition, we further advise that:
 - the 2016 energy efficiency weatherization budget include monies for pilot programs to investigate alternative methods that would improve the customer experience and reduce administrative costs associated with direct installation of weatherization measures being integrated into the housing repair programs such as use of contractor rebates,
 - the income threshold for the weatherization program include affordable housing eligibility requirements,
 - a portion of the multi-family program funds be targeted to properties serving low and low-moderate income households, and
 - a policy be investigated to provide additional energy efficiency and solar rebates for non-profit community organizations, especially those that provide affordable housing in the community.

We are also considering the following recommendations that:

2. Austin Energy develop a plan to improve community outreach for ECAD (Energy Conservation Audit Disclosure).

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3. Code Compliance and Austin Energy should work together to improve ECAD program enforcement.
4. The Better Buildings Grant loan loss reserve funds be used to review financing opportunities including but not limited to the following:
 - attracting private funding for financing such as PACE (Property Assessed Clean Energy) to provide loans for energy efficiency in small rental properties, and
 - using public funds to leverage private capital (e.g., WHEEL) or other feasible options.
5. The legal opinions rendered by the City Attorney on on-bill financing be re-examined and evaluated using other program models such as on-bill repayment, use of public funds to leverage private capital (e.g., WHEEL) or other feasible options.
6. Investigate a virtual billing policy to enable customers of all classes including affordable housing developers and residents to more fully utilize solar to reduce bills by virtually dividing the value of solar credits for one or more solar installations and applying them to multiple customer accounts regardless of location.
7. Continue to examine on-bill financing and other financing options that can assist consumers in pursuing energy efficiency and renewable energy goals that can help reduce bills.
8. Continue and improve collection of survey data from energy efficiency program participant and report annually on the demographic data (age, income, education, etc.) of program participants by council district.
9. Continue to evaluate energy efficiency and demand response opportunities in addition to those in the Generation Resource Plan approved in 2014 to meet demand reduction goals of at least 800 megawatts (MWs) by 2020 and 900 by 2025 (with 200 MW of demand response).