



Austin Energy
Weatherization Program
Low Income Consumer Advisory Task Force
May 1, 2015



AE Weatherization Plan

July – Sept. 2015:

- Work with Solex to confirm participation for up to 9,000 CAP customers
- Hired additional temporary staff to increase capacity
- Continue strategic partnerships with HRC, AWU and TX Gas
- Simplified AE Purchasing contract
 - Reviewing bids
 - Provide recommendation to Council June?
 - Increase capacity of WX contractors to perform work
 - Increase contractor accountability
- Develop loan and AC repair pilot

FY Oct. 2015 - 2016:

- Sign MOU with non-profits through Customer Care to verify income for 200-400% poverty level
- Receive CAP potential clients list in August in prior year
- Extend financing options with lower credit scores





AE Weatherization Pilot – AC Loan



- AC Unit \$7,533
- Loan Amount after Rebates \$5,625

Interest Rate APR %	Term Years	Monthly Payment Amount	Total Payments	Monthly PMT Savings	Savings Over Loan Life
3.99%	5	\$ 105	\$ 6,316		
18.00%	5	\$ 150	\$ 8,994	\$ 45	\$ 2,678
3.99%	10	\$ 58	\$ 6,932		
18.00%	10	\$ 104	\$ 12,516	\$ 47	\$ 5,585



Current Approaches: Velocity/AE Loans

Loan and Rebate

- Traditional Loan
- 5.99% increases with lower credit scores
- FICO 680
- Velocity received credit application and approves
- Velocity services loan

Better Buildings funds as Loan Loss Reserve (LLR)

- 3.99% WAC
- Credit Scores (FICO > 640) DTI > 50%)
- Credit requirements adjustable
- If LLR repays loan on default, loan shown as 'paid in full'



Approaches Under Consideration: Expand Loan Loss Reserve Usage

Low Income (less than 200% FPL)

Qualifying criteria:

- Replace central AC and other energy efficiency upgrades
- Credit scores of 480 and above

Loan:

- Up to \$5,000, 10 years
- AE to buy down rate 3.99% interest

Low-Moderate Income (200% and 400% of FPL)

Qualifying criteria:

- Replace central AC and other energy efficiency upgrades
- Credit scores of 520 and above

Loan:

- Up to \$7,500, 10 years
- AE to buy down rate 3.99% interest



City of Austin - Austin Energy

Customer Energy Solutions

e denise.kuehn@austinenergy.com

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2015/2016 Approach - Priority List

Priority 1	Target Population	CAPEDU Participants CAPEDU Waitlist Participant
	Usage Requirements	Usage of 3 months \geq 2,500kWh in the last 12 months
	Premise Requirements	Home site value \leq \$250,000 Square footage \leq 2,000 Single family homes, duplexes, fourplexes, townhomes, and some condos Debt \leq \$5,700
	Household Requirements	Households with small children (under the age of 6) Households with elderly resident (over 60 years of age) Households with a disabled resident Completion of education class
	Goal: Get low-income customers to spend less than 17% of their annual income on residential energy cost.* Energy efficiency rating of equipment should be above the current federal minimum standards.	
	Weatherization Methods	
	Health & Safety	Efficiency & Savings
	<ul style="list-style-type: none"> • Combustion Appliance Inspection • Smoke Detectors • CO Monitors 	<ul style="list-style-type: none"> • CFL Light bulbs • Air Duct Replacement • *Two Window Units • Solar Screens • Weather Stripping • Attic Insulation • Minor Home Repairs Related to Energy Conservation Measures

*When qualified, EES is supplying one window unit for the living area and one for each occupied bedroom

*Non low-income households spend 4% of their income on residential energy cost. (US Department of Energy)



2015/2016 Approach - Priority List

Priority 2	Target Population	CAPEDU Participants CAPEDU Waitlist Participant
	Usage Requirements	Usage of 4 months \geq 2,500kWh in the last 12 months or Usage of 6 months \geq 1,500kWh in the last 12 months
	Premise Requirements	Home site value \leq \$250,000 Square footage \leq 2,000 Single family homes, duplexes, fourplexes, townhomes, and some condos Debt \leq \$5,700
	Household Requirements	Completion of education class
	Goal: Get low-income customers to spend less than 17% of their annual income on residential energy cost.* Energy efficiency rating of equipment should be above the current federal minimum standards.	
	Weatherization Methods	
	Health & Safety	Efficiency & Savings
	<ul style="list-style-type: none"> • Combustion Appliance Inspection • Smoke Detectors • CO Monitors 	<ul style="list-style-type: none"> • CFL Light bulbs • Solar Screens • Weather Stripping • Air Duct Replacement • Attic Insulation • Minor Home Repairs Related to Energy Conservation Measures
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*Non low-income households spend 4% of their income on residential energy cost. (US Department of Energy)



2015/2016 Approach - Priority List

Priority 3	Target Population	CAPEDU Participants CAPEDU Waitlist Participant
	Premise Requirements	Multi-Family Dwellers
	Household Requirements	60% of residents at multi-family property are eligible for CAPD Completion of education class
	Goal: Get low-income customers to spend less than 17% of their annual income on residential energy cost.* Energy efficiency rating of equipment should be above the current federal minimum standards.	
	Weatherization Methods	
	Health & Safety	Efficiency & Savings
	<ul style="list-style-type: none"> Smoke Detectors CO Monitors 	<ul style="list-style-type: none"> CFL Light Bulbs Solar Screens Weather Stripping Minor Air duct Repair/Sealing Attic Insulation Minor Home Repairs Related to Energy Conservation Measures

*Non low-income households spend 4% of their income on residential energy cost. (US Department of Energy)



AE Customer Benefits Charge Weatherization							
CAP				EE			TOTAL
	Authorized Budget	Spent	Difference	Authorized Budget	Spent	Difference	Spent
2012	\$0	\$0	\$0	\$849,850	\$598,003	\$251,847	\$598,003
2013	\$1,000,000	\$75,728	\$924,272	\$849,850	\$477,567	\$372,283	\$553,295
2014*	<u>\$1,000,000</u>	<u>\$1,374,646</u>	<u>(\$374,646)</u>	<u>\$850,000</u>	<u>\$507,000</u>	<u>\$343,000</u>	<u>\$1,881,646</u>
Totals	\$2,000,000	\$1,450,374	\$549,626	\$2,549,700	\$1,582,570	\$967,130	\$3,032,944