



Staff Response to Low Income Consumer Advisory Task Force (LICATF) Recommendations

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December 3, 2015





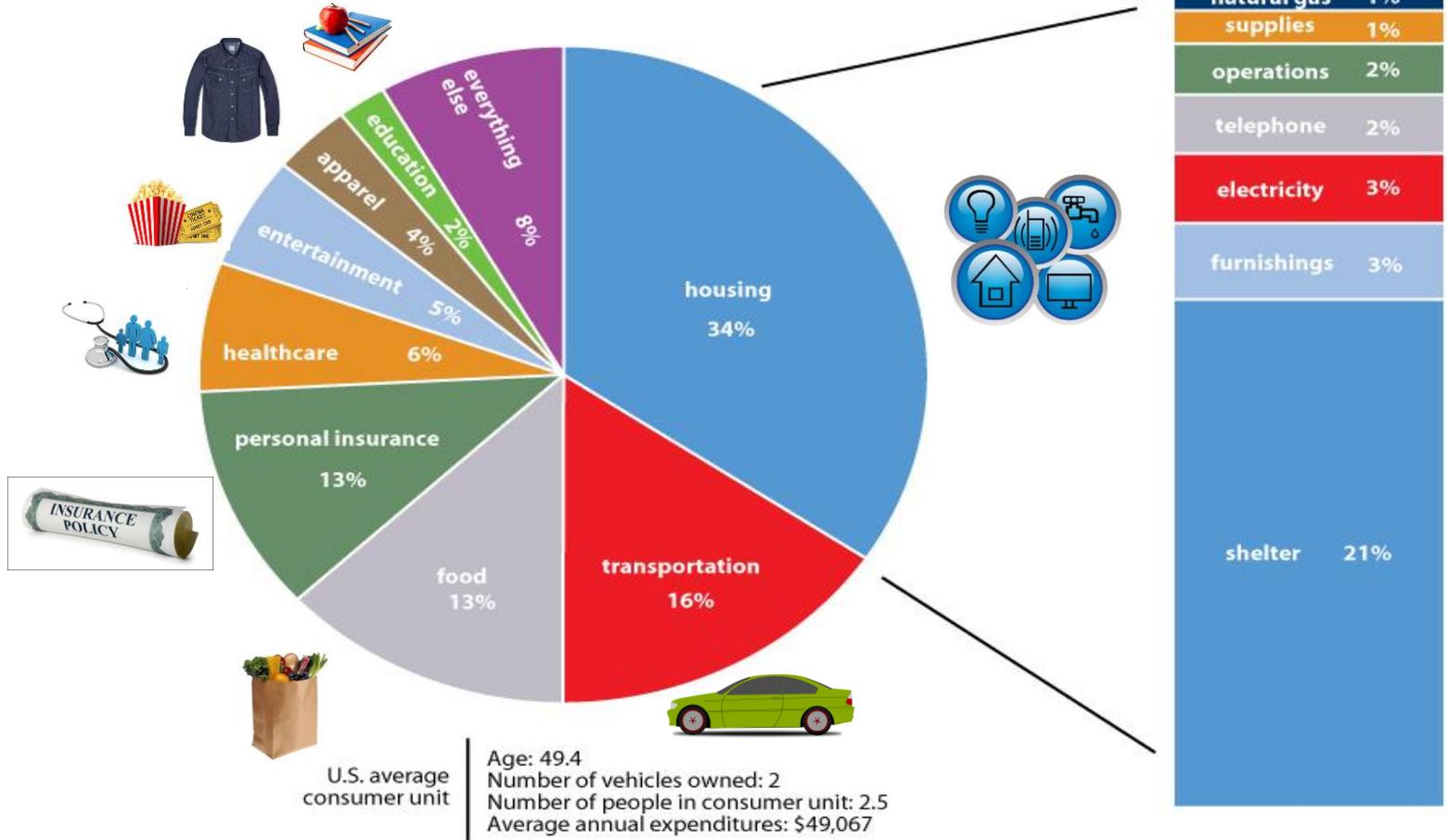
Overview

- Background
 - Utility costs as a percentage of household expense
 - History of Austin Energy Spending on Weatherization & Other Programs
- LICATF Recommendations & Staff Response
 - Significant areas of agreement
 - Will study additional opportunities (Task Force and other)
 - Not recommended: actions that will:
 - Impede ability to achieve 900 MW energy efficiency (EE) and demand response goal,
 - Challenge affordability goals and/or
 - Create inequities between customer classes



Where does the money go?

Average annual consumer expenditures

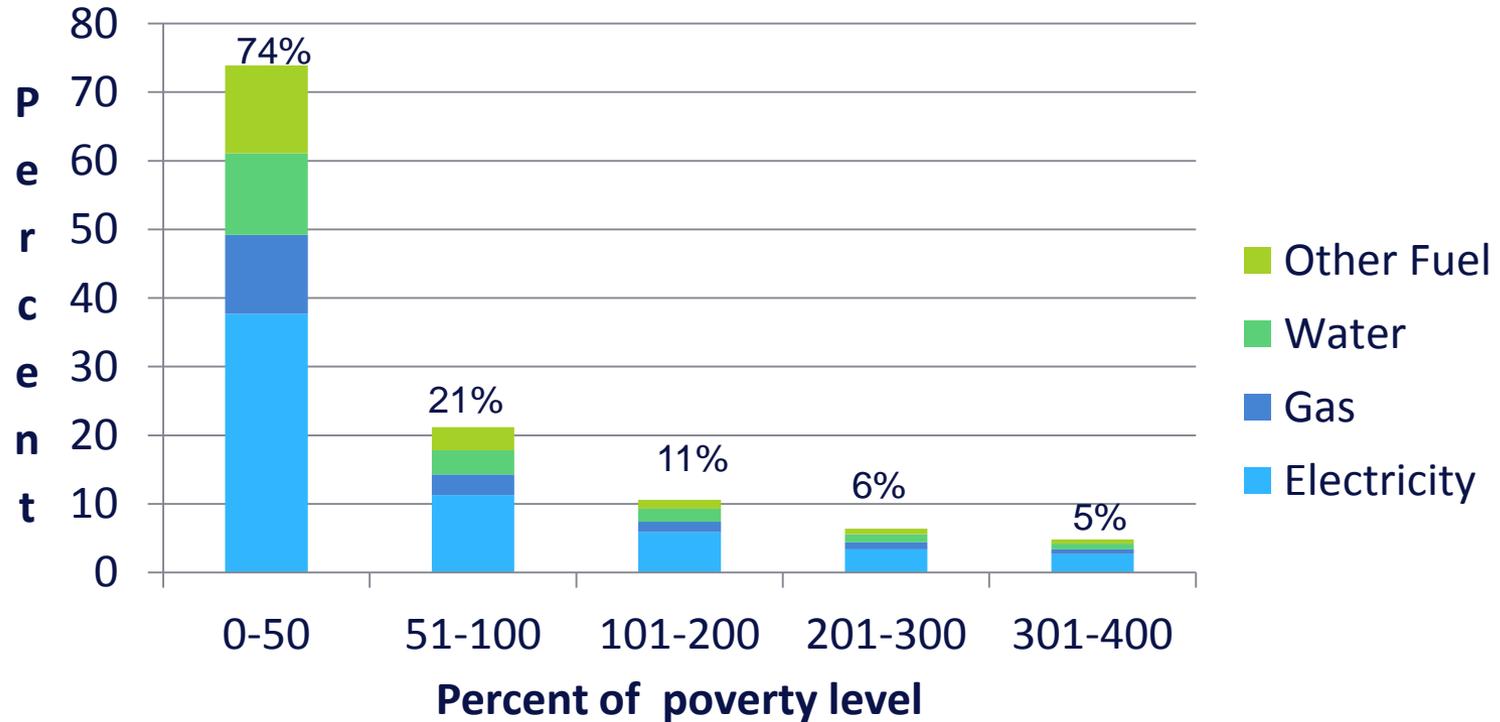


U.S. average consumer unit
 Age: 49.4
 Number of vehicles owned: 2
 Number of people in consumer unit: 2.5
 Average annual expenditures: \$49,067

Rocky Mountain Institute © 2011. For more information see www.RMI.org/ReinventingFire.



Austin Utility Burden – Percent of Income Spent on Utilities (2010-2012)



Income (fam. of 4)	\$11,525	\$23,050	\$47,700	\$71,550	\$95,400
# residential customers	24,921	30,920	62,400	64,000	53,900
% residential customers	6%	7%	15%	15%	13%

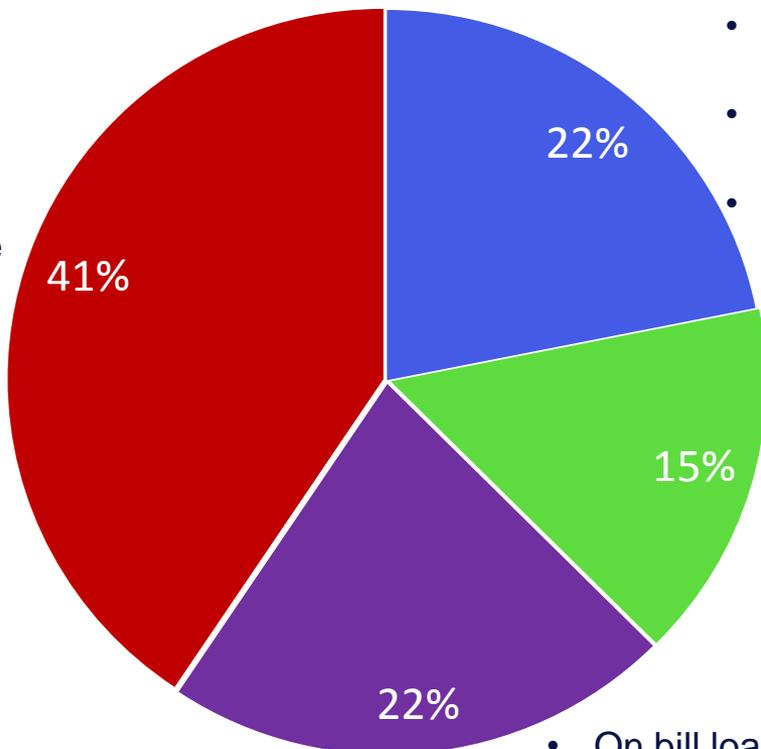




Staff Response to LICATF Recommendations

32 Recommendations*

- 5-10% demand savings goal
- 25% of EE budget spent on low, low/moderate income
- 1% annual EE savings target
- Increase repair and replacement



- Data reporting
- Program goals
- Window units for medically vulnerable
- Energy code advocacy
- Free audits

- Underway or current practice
- Planned for FY16 and FY17
- Under Review
- Not recommended

- Cost efficiencies
- Roll over unspent EE weatherization budget
- Societal cost test

- On bill loans
- Multifamily target for affordable housing
- Fractional solar billing
- PACE and grants for low income

* Combines broad categories with multiple sub-elements





Not Recommended

- Minimum energy and demand savings goals for low and low moderate income customers
 - Jeopardizes ability to meet minimum 900 MW goal, as these programs generate lower savings
 - Increases program budget
 - Could reduce program opportunities for commercial customers
- Focusing 25% of budget on low/low moderate income customers, 10% on weatherization
 - Reduces ability to optimize program portfolio
 - Current free weatherization budget: \$1.4 MM (excluding CAP). Recommendation would increase to \$3.5 MM
 - Would require reducing other program budgets



Not Recommended (Continued)

- Window units for non-medically vulnerable and expanded incidental repairs
 - Costly and would redirect other program budgets
 - Reduces number of customers we can help
- 250% poverty level eligibility— adds over 30,500 households
 - Reduces opportunities for those that need it most
 - Customer expectations
- 1% annual energy savings for all energy efficiency and demand response programs
 - Effects of increased codes (which we support) diminish opportunities
 - In combination with other goals, reduces flexibility



Other Items Under Review/In Process

- Added contractors to weatherization program
 - Heavy emphasis in winter and spring
- Increased accountability for contractors
 - Additional quality assurance checks
 - No new assignments if:
 - Homes weatherized > 20 business days
 - Inspection failure rate >20%
- Since November 2:
 - 112 Homes Assigned
 - 51 Homes Audited
 - 31 Bids Approved
 - 13 Homes Weatherized for Final Inspection





Other Items Under Review/In Process

- Direct installation pilot – single and multi-family
 - Departmental collaboration
 - Neighborhood outreach
 - Partnerships with faith-based organizations and others
- Expanded loan reach – low moderate income, expanded credit eligibility
- Low income multi-family weatherization
- Multi-family best practice study
- Smart thermostats – rebates and free for eligible customers
- Expanded retail point of sale discounts – lighting and other





Summary

- Significant time and effort by citizen task force and staff
- Roughly 60% of recommendations are do-able
 - Some complete or in progress
 - Others will take more time
- The recommendations not supported are a function of affordability and goal furtherance considerations

