Maximizing Energy Savings in Programs Targeted to Low Income Households

SWEEP Energy Efficiency Workshop
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Energy Outreach Colorado

We are a private, nonprofit dedicated to helping make energy affordable for all Coloradans

- Energy Assistance
- Energy Advocacy
- Energy Conservation and Efficiency Programs
History of the LI Programs

- 2007 PSCo DSM Docket-Commission asked for “substantial commitment to LI DSM” in biannual plan
- Commission directed PSCo to pursue cost effective designs but not forego LI programs that don’t pass TRC
- Commission directed PSCo to implement 20% NEB to LI programs-PSCo proposed 25%
- LI Program with TRC<1 will be removed from Net Economic Benefits calculation
Low Income Programs in CO

- IOUs: Xcel Energy, Atmos Energy, Source Gas, CNG
- Single Family Weatherization - Prescriptive
  - 80% AMI, WAP participation, & “gap program”
- Multifamily Weatherization - Custom
  - 66% of units 80% AMI, WAP overlap, City of Denver
- Nonprofit Energy Efficiency Program - Custom
  - Serve LI clients, own their building, pay the utilities

- Other Programs - kits, BH WAP support, HC, SMPA
Large vs. Small Utilities

- Small-Single Fuel Utilities-$545K incentive budget
  - Emphasis on Customer Service more than performance of the product
  - A la cart MF, NEEP, SFW, FC, Kits enhance program performance

- Large Dual Fuel Utility (Xcel)-just over $6M
  - Emphasis on Cost Effectiveness with safety net of allowable non-cost effective product
  - More robust engineering analysis capabilities-$30K-$50K projects vs. over $1M projects
Why Custom Analysis?

- Supports the whole building approach
- Entire capital cost of the measure must be considered for the total rebate even if failing MTRC
- Easy to consider rebating previously failing measures toward the end of a successful year
Results

Xcel’s Results

- 14.5 GWH & 106K Dth since 2009 for Xcel Energy
- Avg Multifamily MTRC-1.6 Electric and 1.8 NG
- Avg NEEP MTRC-1.5 Electric and 0.9 NG
- Avg SFWX-MTRC-1.1 Elec and 1.5 NG

- Atmos/Source/CNG- Avg MTRC of 1.9 and average 10,000 Dth for all three utilities
Cost Effective LI Programs

- We manage our rebate/savings ratio to maximize leveraging opportunities.
- Federal, State, Municipal, and EOC funds can cover additional cost of the projects.
- EOC funds the project and gets reimbursed once complete.
- All projects tracked in EnergyCAP, send out quarterly reports, conduct facility maintenance trainings, resident engagement.
Importance of Leveraged Funding

- Low Income rebate programs must be leveraged with additional funds-state, private, grants

- Structural barriers, health and safety issues, red tagged appliances, high installation cost due to condition of affordable housing stock

- Limited customer resources and lack of understanding on the value of energy efficiency
Outreach Strategies

- Local, trusted organization community based outreach
- Direct outreach to participants in utility bill assistance programs
- Utility – direct outreach to customers in certain classes (all electric)
- Co-branding two utility’s offerings to get more participation
Program Enhancements

- Transitioned from custom to prescriptive offering for the NG companies
- Xcel agreed to honor the prescriptive rebate and savings when a custom measure fails
- Partnered with CO Finance Authority to offer compliance path for EGC for tax credit MF buildings
- Xcel 25% Non-Energy Benefit
Challenges in LI Programs

- Declining WAP funding, declining Severance Tax Funding
- Rehab vs. Rebate Program
- Customer expectations
- Private vs. Public or Nonprofit MF Owners
- The gap between LIHEAP/WAP and 80% AMI
Future of the Programs

- **Colorado Affordable Residential Energy**
- Low Income Customer Engagement Product
- Pre-paid meters with in-home displays
- Developing community solar
- CPP