



SEE EA

SOUTHEAST ENERGY EFFICIENCY ALLIANCE

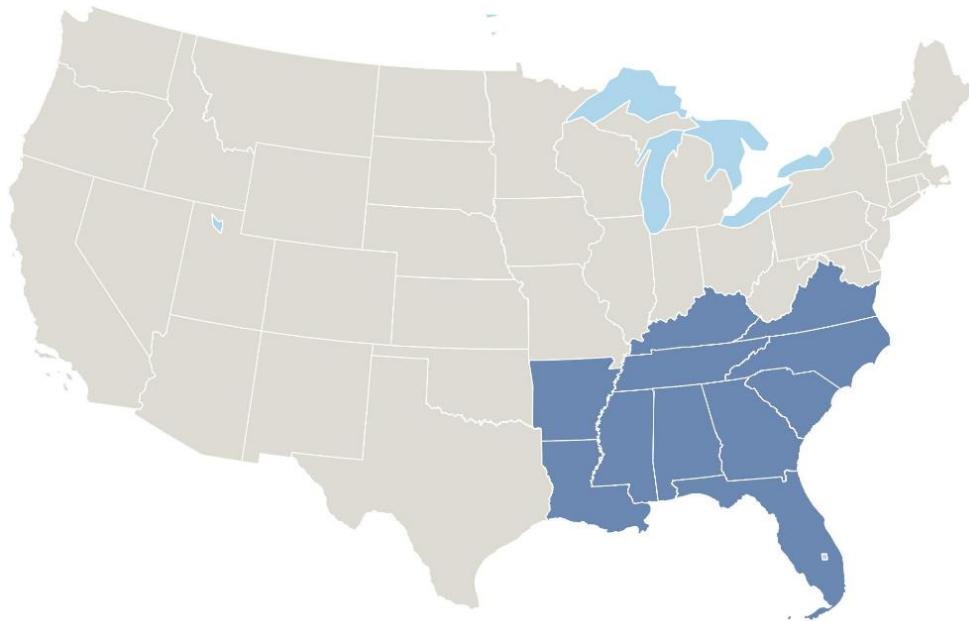
WEBINAR SERIES

Utility-Administered Low-Income Programs in the Southeast

July 28, 2016

SEEA Serves the Southeast

The **Southeast Energy Efficiency Alliance (SEEA)** promotes energy efficiency as a catalyst for economic growth, workforce development and energy security. We do this through collaborative public policy, thought leadership, outreach programs, and technical advisory activities.



**Regional Energy
Efficiency Organization**

**Eleven-state
footprint**

**Non-profit,
non-partisan**



Upcoming Webinars



Developing Consistent EM&V and Emissions Reduction Quantification Approaches for Performance Contracting Programs

August 4th, 2016



Residential Energy Codes Field Study: Baseline Findings

August 11th, 2016

Missed one? Find webinar materials at www.seealliance.org

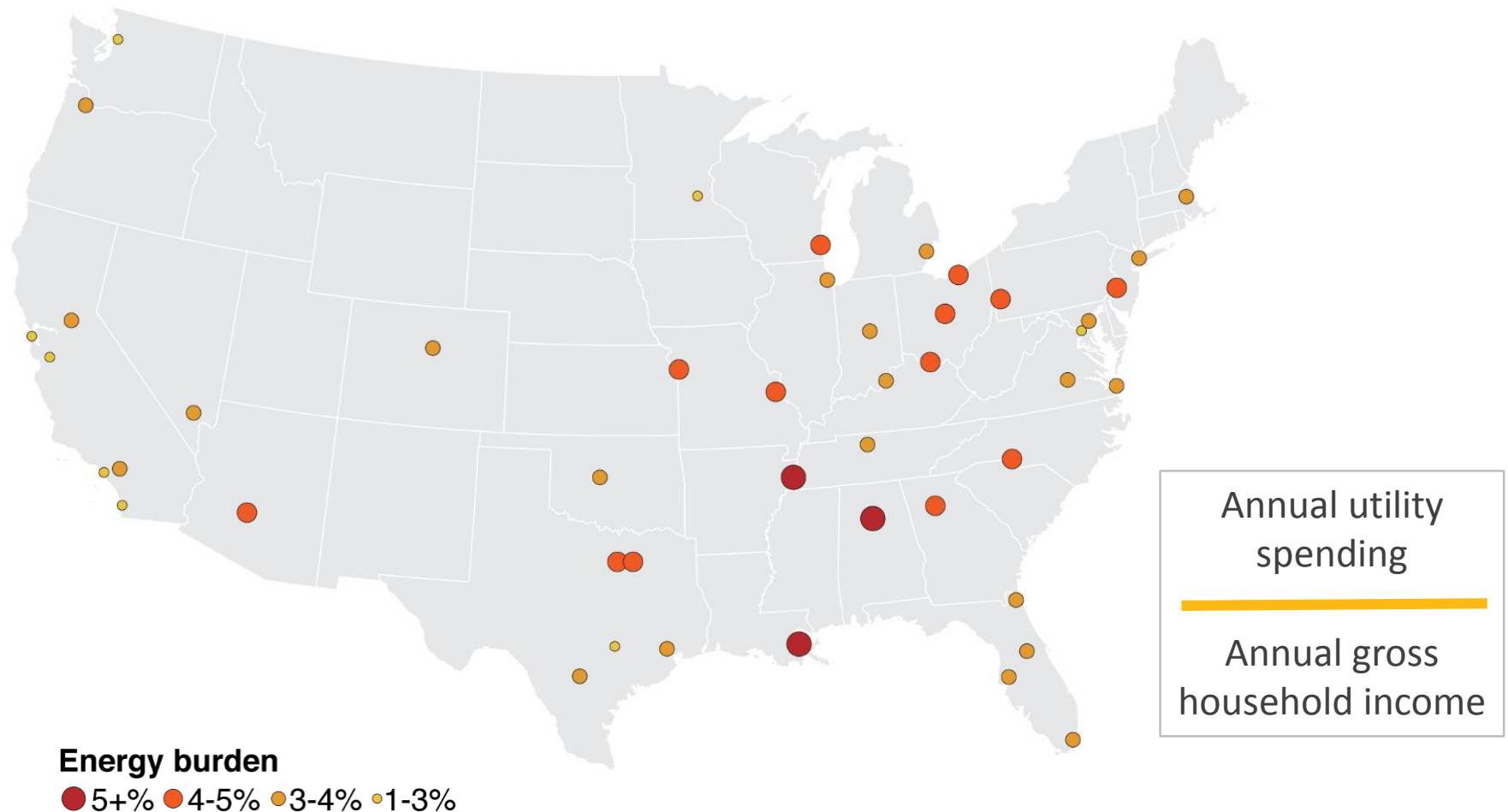
Today's Speaker



Abby Fox
Policy Manager

Background

The Problem (Continued): Energy Burden



Source: ACEEE (2016).

Scope of Analysis



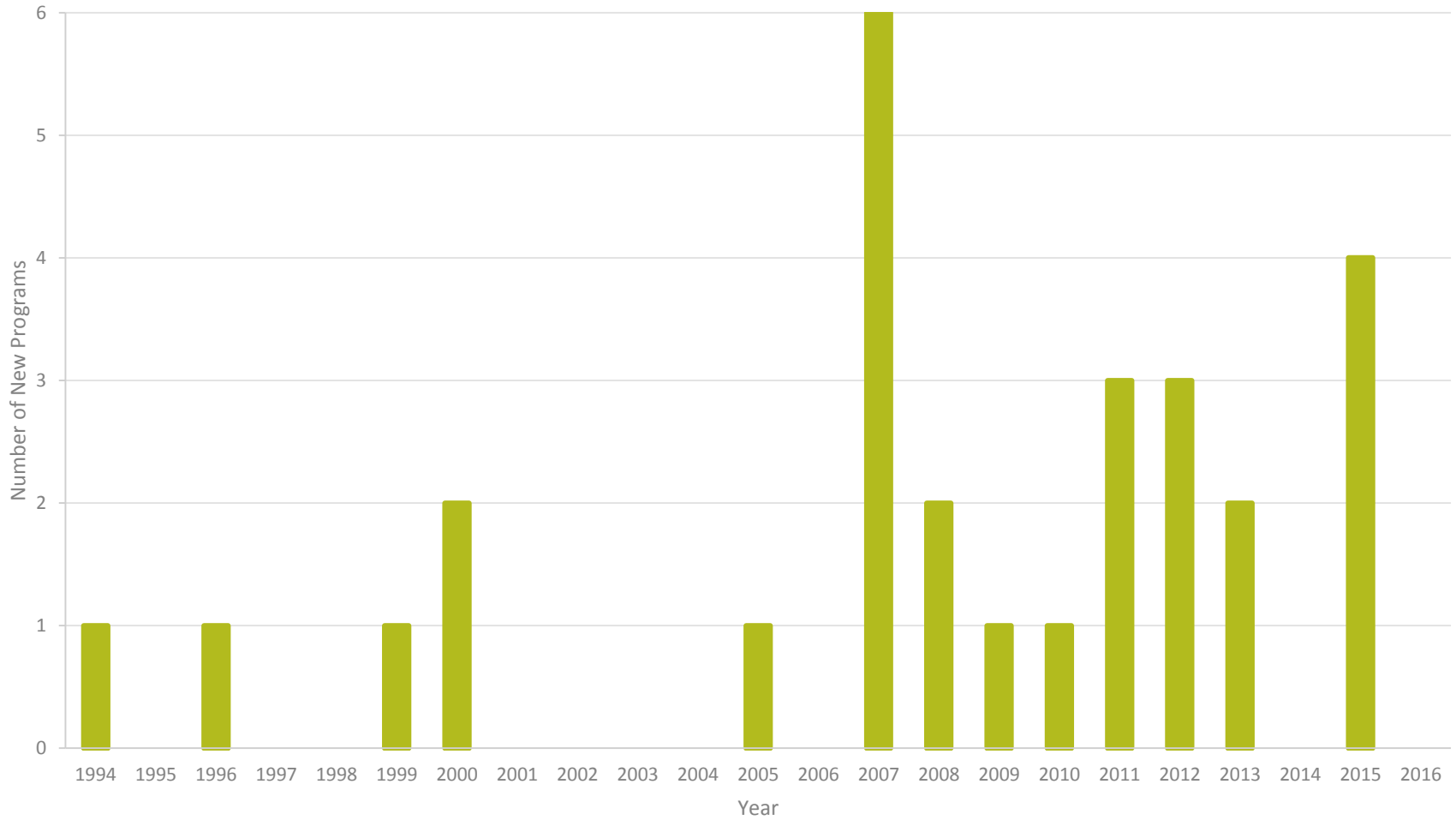
- 28 electric utility-administered energy efficiency programs operating in the Southeast
- Timeframe covered: 2012-2015
- Data collected:
 - Program start date
 - Program type
 - Eligibility criteria
 - Measure mix
 - Per-unit investment caps
 - Participation metrics
 - Cost of saved energy
 - Qualitative success factors/ challenges

Program Coverage and Design

Program Coverage

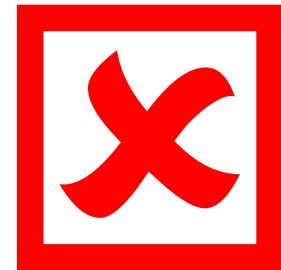
- The majority of the region's largest utilities offer low-income programs.
- The majority of the Southeast's largest metropolitan statistical areas (MSAs) are served by at least one of these programs.
- About half of southeastern MSAs with the highest poverty levels are served by low-income programs.
 - Data limitations on coverage outside of MSAs

Program Start Date



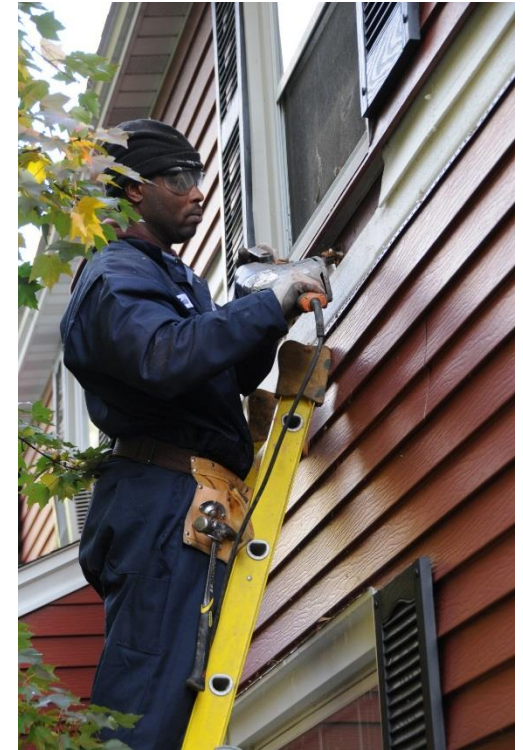
Program Qualification Approaches

- Specified percentage of federal or state poverty guidelines
- Earning caps
- Inefficiency/usage criteria
 - Arkansas
 - Kentucky



Program Delivery and Measures

- Half direct install; half weatherization
- Light bulbs (23)
- Low-flow showerheads (20)
- Attic insulation (14)
- Faucet aerators (14)
- Equipment repair and maintenance (14)



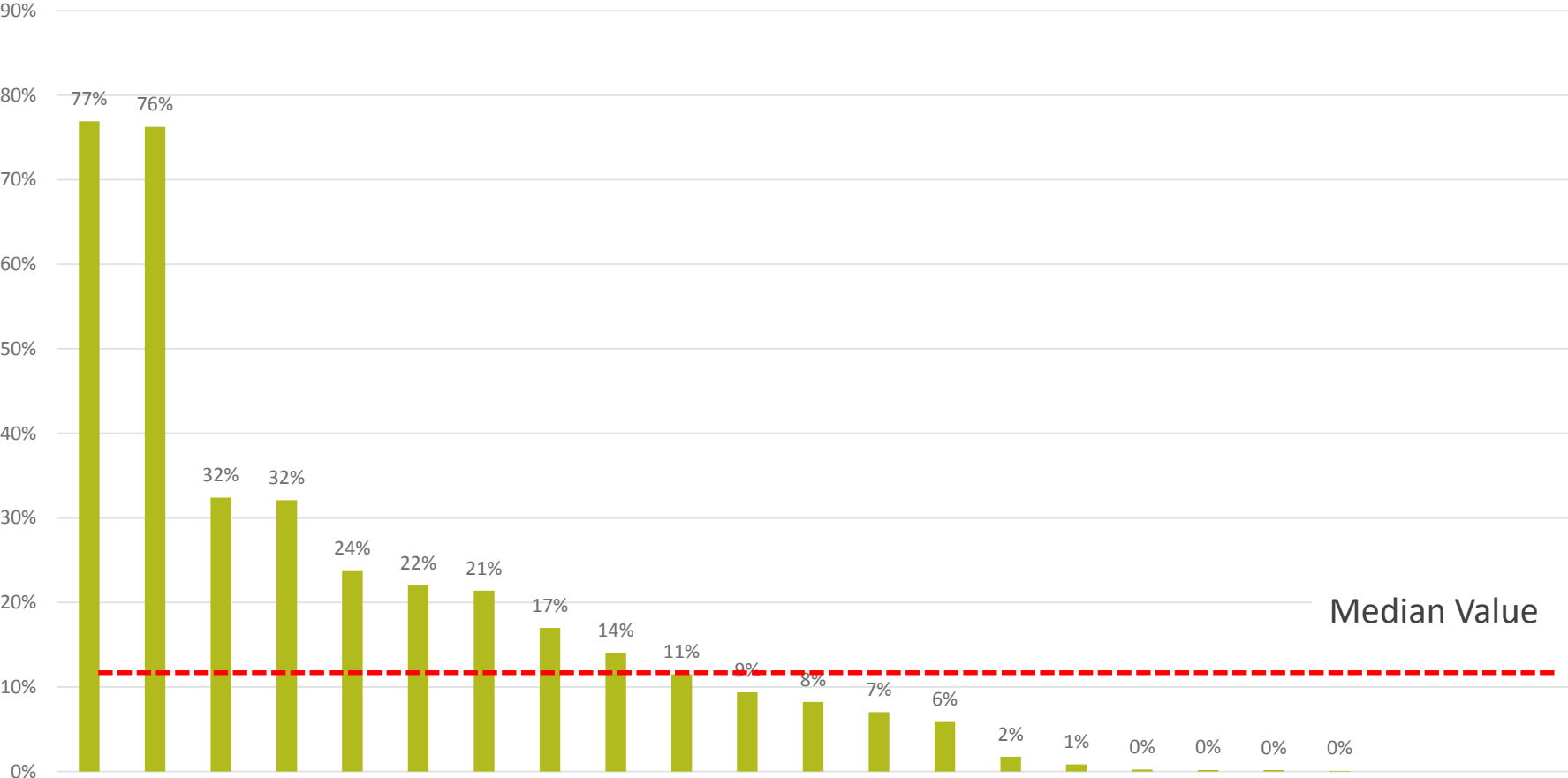
Cost-Effectiveness

- Generally not required in southeastern states
- Many states do not have an explicit policy around low-income cost-effectiveness requirements



Program Performance

Share of Residential Portfolio Spending

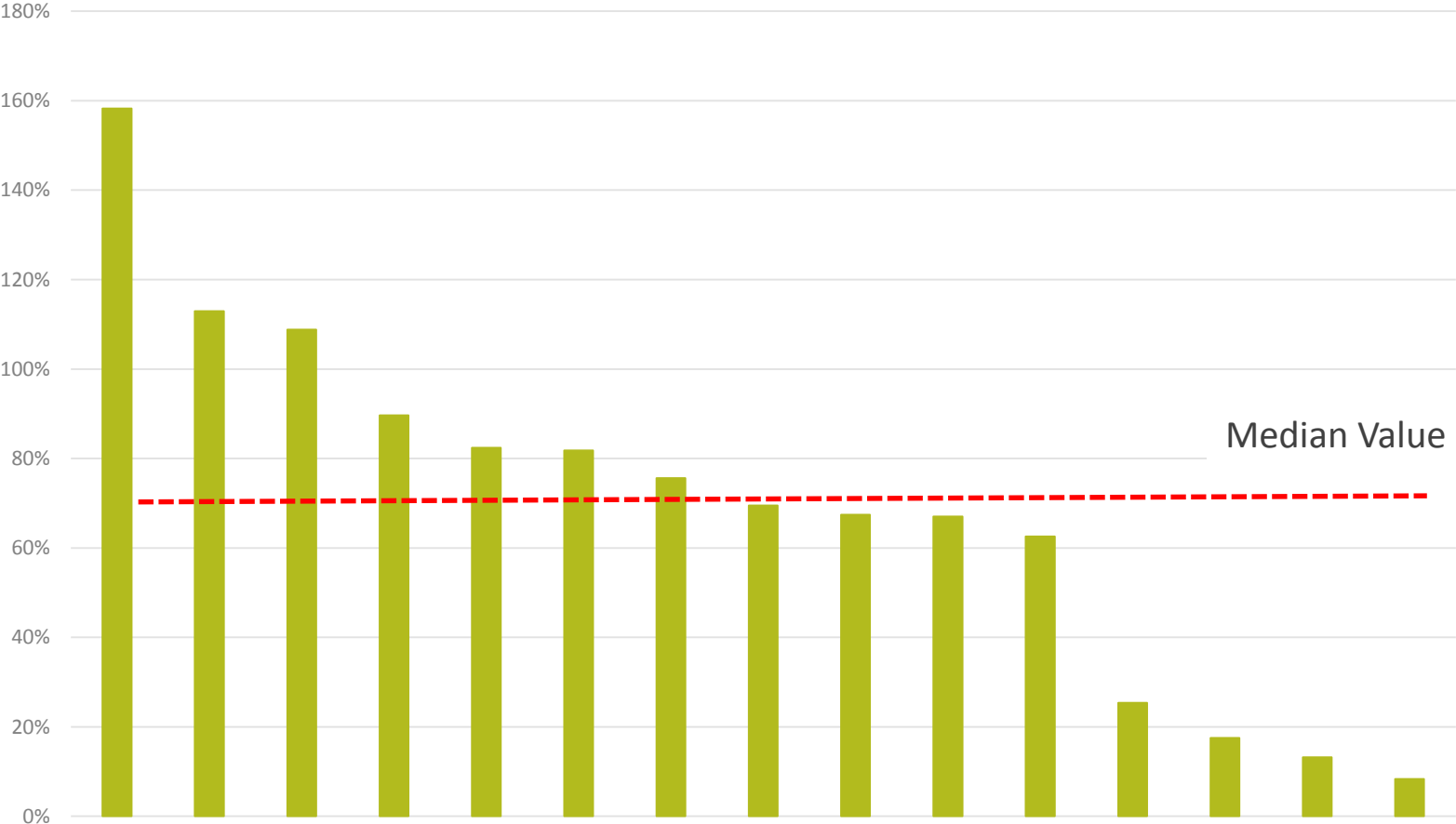


Program Cost

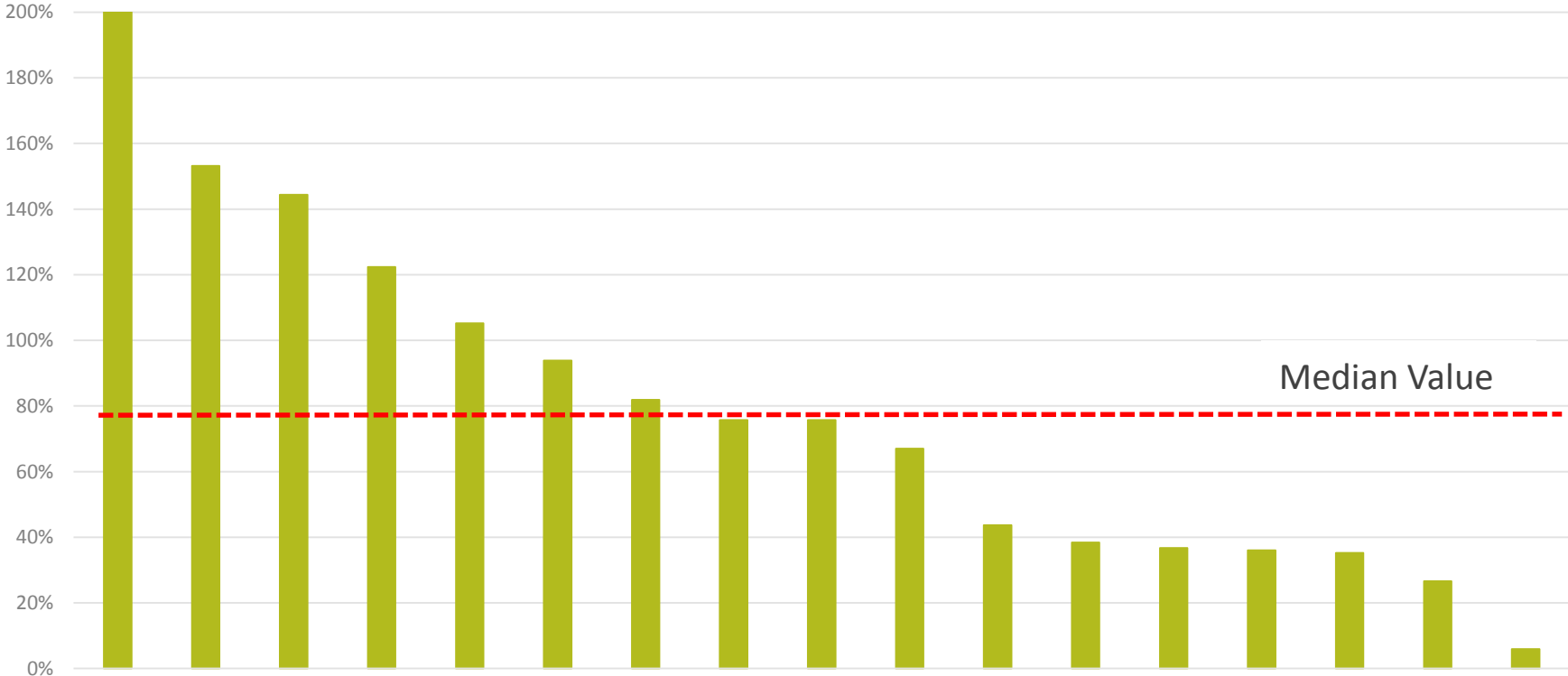
Year	Median Levelized Cost of Saved Energy (3% Discount Rate)	Median Levelized Cost of Saved Energy (6% Discount Rate)
2012	\$0.06	\$0.07
2013	\$0.07	\$0.08
2014	\$0.07	\$0.08
2015	\$0.08	\$0.09
National Value: \$0.13 (2012\$, 6% discount rate)		



Share of As-Filed Participation Achieved



Share of As-Filed Savings Achieved

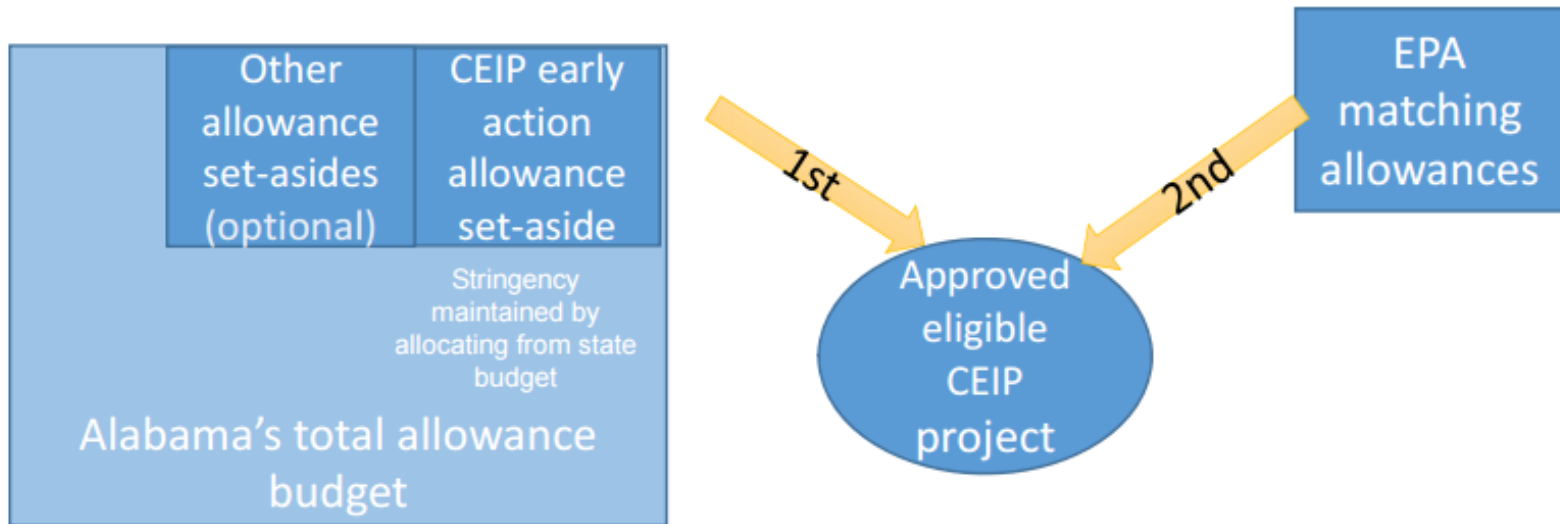


Clean Energy Incentive Program

How It Works

TABLE 1—Proposed State Shares of Matching Pool (Allowances)

<u>State</u>	<u>RE Reserve</u>	<u>Low-Income Community Reserve</u>	<u>Total Share</u>
Alabama	4,683,458	4,683,458	9,366,916



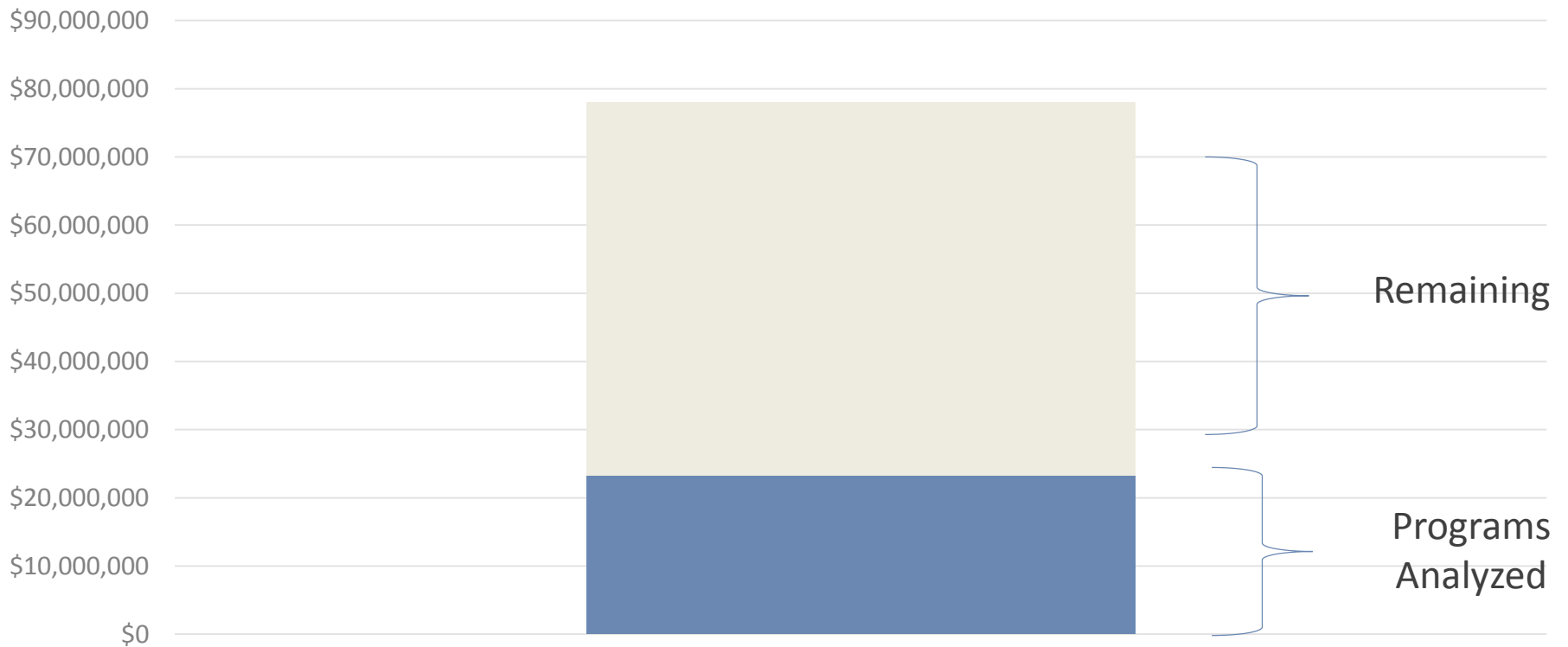
1

Source: U.S. EPA (2016).



How Close Are We?

Annual Southeastern Program Investment as a Share of Potential Annual CEIP Funding Stream



Recommendations

Areas for Future Research

- Some areas of the Southeast are not currently served by low-income programming. What are the barriers to developing offerings to serve these communities?
- Among the areas that are served by low-income programs, is investment most heavily concentrated in jurisdictions with higher levels of poverty? If not, why?
- What is the impact of various qualification approaches? Is one approach more conducive for achieving program success?
- Do programs with higher per-unit investment caps achieve higher levels of savings? What are the relative outcomes of programs that incorporate financing in addition to rebated measures?



Areas for Future Research (Continued)

- Are there improvements to the cost-effectiveness requirements that could aid utilities offering low-income programs?
- Why are southeastern low-income programs less expensive than their national peers?
- In the cost-effectiveness testing framework, what non-energy benefits do southeastern utilities count for low-income programs?
- What are the major barriers to meeting participation and savings targets? How can these be overcome?
- What impacts do these programs have on overall customer energy usage and bills? Are the savings sustained over time?
- Are there limitations to utility-administered low-income programs, relative to programs provided by partners or community organizations? How might they be addressed?



Follow-up Contact Information



Cyrus Bhedwar

Director of Policy, SEEA

cbhedwar@seealliance.org

404-602-9659 (office)



Questions?





www.SEEALLIANCE.org