



CO **action** UNITY

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March 3, 2005

Jaclyn Brillling, Secretary
 NYS Public Service Commission
 3 Empire State Plaza
 Albany, NY 12223-1350

RE: Case 05-M-0090 – In the Matter of the Systems Benefits Charge III

Dear Secretary Brillling:

Enclosed, please find an original and 15 copies of comments from the Western New York Regional Energy Services Team in regard to the Systems Benefits Charge III. These comments are a compilation of input from low-income energy efficiency **providers** in Allegany, Cattaraugus, Chautauqua, Erie, Niagara, and Wyoming Counties.

On behalf of this team, we appreciate the opportunity to be heard.

Sincerely,



Tina Zerbian
 Chief Executive Officer

COMMENTS
to the
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

In the Matter of the System Benefits Charge III

The following comments are a compilation of input from the six counties comprising the Western New York Regional Energy Services Team, funded by NYSERDA to implement the CBO Initiative. The counties of Allegany, Cattaraugus, Chautauqua, Erie, Niagara, and Wyoming are represented on this team, the Regional Implementer for which is Cattaraugus Community Action, Inc. The Western New York Team has just completed its two-year contract to develop and implement the Assisted Home Performance with Energy Star® Program (AHPwE*), and the Weatherization Network Initiative (WNI), both funded through the Systems Benefit Charge.

In response to Question #1, the Western New York Regional Energy Services Team (hereafter WNYREST) has successfully organized methodologies to reach out to low income people within the six-county region, to provide electric reduction measures and energy efficiency programs. To date, 558 households have received electric reduction measures through WNI, and 75 households have participated in the AHPwE* program. The benefits to low-income residents are measurable and substantial; however, the programs have only just begun to make an impact upon the vast numbers of needy households in the Western New York area. Additional finding (in response to Question #2) is critical in order for low-income families to reduce their energy burdens and avert crises ranging from utility shut-offs to evictions, illness, and forced mobility. The SBC program should continue for a minimum of eight years, at a minimum of \$200 million before the addition of a Gas SBC program, in order to make a significant impact on the low-income population of our area.

The volatility of energy prices (see Question #3) and the increased energy burden of low-income households have increased, and there is clearly a greater need for SBC programs now than in 1998. In Western New York alone, over 3,500 households sought assistance from members of the Regional Team in 2004 for utility shut-offs, and 20% of these households were repeat customers. Over 1,500 homeless families presented with one of the Regional Team members stating that the reason for their homelessness was high energy burden, shut-offs, and/or the need to relocate to housing with lower energy costs. These were families who suffered from repeated utility shut-off!, three or more times in the previous two years, who lived on fixed incomes with no additional resources other than seasonal assistance, and who were in the process of attempting to pay off the high utility bills from the previous heating season. Statewide, last year, there were nearly 290,000 utility shut-offs with almost \$235,000 in uncollected utility payments. These data point to an urgent need to reduce energy burden and carry out energy efficiency programs.

As advocates for the low-income, and based upon the statistics presented above, we would urge the PSC to make low-income programs a priority under SBC III (see questions # 4, 7, and 8). The age of housing, and the high percentage of substandard housing in our region, in addition to the poor economic conditions in Western New York,

call for a focused effort on the part of our policy makers to prevent utility crises and homelessness by offering equity of energy costs to the low-income. These programs become much more effective here in Western New York because team members leverage funding with Weatherization, Affordable Housing Corporation funds, and HOME Rehabilitation programs on a regular basis.

We additionally urge the Commission to maintain the Residential Energy Efficiency programs, particularly those for the low-income, separate and apart from the goals of expanding renewable resources (Question #5). The savings realized from energy efficiency programs is perhaps more substantial than those realized from renewables at this time.

In response to Question #9, we believe that it is critical to provide additional resources so that local teams can create and implement marketing efforts that are meaningful to the people of their areas. In other words, the 40 years of experience of the WNYREST team in reaching out to needy households, places them in an ideal position to design marketing and outreach that taps the low-income community. Ideally, each team member should have the funds to hire a Marketing Coordinator whose job it would be to recruit new participants through all media, but also through home shows, demonstrations at retail outlets, home visits brought about through personal referrals, and so on. Rural low-income families are much more likely to respond to this approach than to television advertising that they view as available only to urban populations.

NYSERDA has effectively administered the SBC programs (see Question #10). Especially considering the fact that NYSERDA has moved from an R&D entity, to one which is now administering millions of dollars in program delivery resources, they have quickly developed systems and procedures to ensure program implementation. When the new systems have been slow or in need of retooling, NYSERDA has been responsive in listening to the ideas and concerns of its grantees.

The Western New York team is wholly supportive of a natural gas systems benefit charge, with the caveat that the resulting programs cause no harm to the electric reduction initiatives currently in place (see Question #13).

It is our belief that the creation of a natural gas SBC has the potential for dramatically reducing the energy burden for thousands of households across New York State. The success and life changing accomplishments of the electric SBC funded programs make it obvious that a similar approach to a natural gas program would be of great benefit to low and moderate income families across New York State.

Thank you for this opportunity to comment. Should you have any questions, please feel free to contact Tina Zerbian, Chief Executive Officer, Cattaraugus Community Action, Inc., 25 Jefferson Street, Salamanca, New York 14779, 716-945-1041x111, tzerbian@ccaction.ore.