

New York State - Energy Efficiency Portfolio Standard
Working Group 2 – Program Summaries

Program Name: Low Income Weatherization Assistance Program (WAP)

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Administering Entity: NYS Division of Community Renewal, Office of Community Development**

Targeted Sector: Low income residents (at or below 60% State Median Income)

Funding years **	Funding Source	Total Budget (Millions)	Cumulative Funds Spent (Millions)	Current Annual Expenditures (Year Millions)	Energy Savings		Demand Savings		Total Resource Cost (TRC) Results*
					Cumulative (MWh) ***	Current Annual (MWh)	Cumulative System Coincident Load Reduction (MW)	Current System Coincident Load Reduction (MW)	
1996 - 2007	Federal (US DOE WAP and US HHS LIHEAP, passed through NYS OTDA)	\$382.4	\$382.4	\$55.4	466,682	93,542			1.0

* Or similar measure performance (e.g. TMET). Include description of cost test(s), identify if the analysis is retrospective or prospective and include any reference or links to on-line documents on evaluation as appropriate.

** Program has been administered in New York State since 1977. Data provided is based on period beginning in 1996, when administration of the program became the responsibility of the Division of Housing and Community Renewal.

*** Through SFY 2005-06.

Note: Weatherization is an “all-fuels” program. In addition to baseload savings described above, cumulative savings of 18,075,812 mmBtu and current year savings of 3,724,118 mmBtu in heating fuels have been realized from program activities.

Program Description (include links to on-line documents as appropriate):

PY 2007 State Plan - <http://www.dhcr.state.ny.us/ocd/pubs/pdf/wsp07.pdf>

WAP is an energy efficiency program that helps low-income households to manage their high cost of energy consumption. The energy conservation services are delivered, at no cost to the eligible households, using a network of community action agencies and non-profit organizations which covers all 62 counties of New York State. WAP is intended to reduce the State’s energy consumption, particularly of imported oil and other natural resources, for low income households by using the most cost effective energy conservation measures determined from an on-site, instrumented, ‘whole house’ energy audit. WAP services are available for all low income residents residing in all types housing stock (single and multi-family buildings, shelters, group homes and mobile homes) with priority given to the elderly, disabled and women with small children.

Relationship to Staff Preliminary Proposal:

This program can be fast-tracked if there are dedicated State funds to supplement the existing US Department of Energy and US Health and Human Services funding which is available on an annual basis.

Current status (include statement on where this program is in its life cycle/MT timeline, current trends, projections, whether the program is over/under/fully subscribed, customers served):

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WAP has been funded at approximately \$50 million annually for the last four years and has completed approximately 12,000 dwelling units per year. Staff estimates that there are approximately 2,600,000 eligible households, but only about 500,000 have been assisted since 1979. The resulting demand is for an additional 2,100,000 units of assistance to low income households.

Barriers, challenges, gaps:

Currently, there are no state funds allocated to the program. The lack of dedicated State funding limits the number of units that can be assisted. Federal allocation amounts have varied over the past several years, making program planning extremely difficult.

Ramp-up potential, limitations, where help is needed to fulfill potential:

The network of WAP providers will continue to use in-house crews and expand their use of subcontractors including the network of Assisted Home Performance that are certified by BPI. Our staff estimates that this network has the potential to double program production over a three-year ramp-up period.

Co-benefits (e.g. environmental, health & safety, economic development):

Environmental: reduced usage of propane, home heating oil, natural gas and electricity can lower emissions of sulfur dioxide, nitrogen oxides, carbon and other harmful pollutants which improve air quality. The reduction in pollution helps reduce the adverse health effects of asthma.

Health and Safety: The Weatherization Program places major emphasis on the identification of health and safety conditions, and issues a written notice to clients informing them about the need to address the correction of problems. The initial energy audit looks at the dwelling unit and or building as a system; including the role of the occupants in terms of their influence on building performance. The installation of smoke and carbon monoxide detectors along with the testing of the ambient air for mold and other conditions is performed on every unit that is audited and weatherized by WAP. All work is performed in a lead safe manner by agency crews or contractors who have been certified accordingly.

Economics: WAP reduces energy bills (heating and electric) making other basic necessities like food, medicines, etc for the elderly, disabled, and children more affordable. Lower energy bills makes housing more affordable; reduces the local and state government share of public subsidy for energy costs. Program evaluations conducted by Oakridge National Laboratories, estimate that 79 jobs are created in the conservation workforce for every \$1,000,000 of appropriated funds to weatherization.

Ratepayer: WAP assures fewer utility disconnects, lower debt and/or carrying charges to cover non payment of utility bills by low income customers.

Employment: WAP provides direct employment for staff, crews, and subcontractors. Many of these workers are located in the low income communities that are served which helps keep more money in the neighborhoods; WAP is a market transforming program creating an increased demand for private contractors and highly trained and skilled personnel in the residential energy conservation area.

Housing: The Weatherization Program has had a major impact on preserving affordable housing resources across the state, in both one- to four-unit buildings and in multi-family buildings. In the case of multi-family structures, WAP requires written tenant protections that prevent rent increases or evictions and requires that

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building owners that are not themselves low-income contribute 25-35% toward the cost of the work performed on the building. Across the state these contribution total over \$7,000,000 annually, and result in the performance of considerable additional energy efficiency work.

Other issues/considerations:

The low income population of the state should receive an equitable share of the resource to be allocated under this Order. In this context “Low Income” means the income threshold used in the Home Energy Assistance Program (HEAP), which is 150 % of OMB poverty guidelines or 60 % of state median income.