

# Weatherization in the State of Texas

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*A Report to Meet the Requirements of Rider 14 of S.B. 1,  
85<sup>th</sup> Legislature  
Calendar Year 2016*

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## INTRODUCTION

The 85th Texas Legislature included Rider 14 as part of the General Appropriations. Rider 14 charges the Texas Department of Housing and Community Affairs (“TDHCA”) with the responsibility to report on weatherization efforts for the State of Texas. Rider 14 states:

*“Reporting on Weatherization Efforts. As part of its efforts to help low-income Texans eligible for weatherization to conserve energy and lower bills, Texas Department of Housing and Community Affairs (TDHCA) shall use funds appropriated above to coordinate with investor-owned utilities, from which TDHCA receives funds, and that offer energy efficiency programs for Texans meeting low-income eligibility criteria to make sure the monies available for low-income energy efficiency programs spent both through the agency and through utility programs are effectively and adequately spent. The TDHCA shall use funds appropriated above to produce an annual report with information about the number of low-income household benefiting from energy efficiency monies through state, federal and utility-funded programs, the total amount of federal, utility and state funds expended on the programs, the average amount spent per unit weatherized in each program, as well as the peak electricity demand reduction, the amount overall electric energy saved, the amount of money saved and the number of job and job years created. A copy of the annual report shall be delivered to the Lieutenant Governor, Speaker and Governor, as well as made available on TDHCA's website by March 15th of 2018 and March 15th of 2019.”*

In 1991, the 72nd Texas Legislature created TDHCA, giving it the programs from the former Department of Community Affairs, one of which was the Weatherization Assistance Program (“WAP”) funded by the U.S. Department of Energy (“DOE”). In 1992, the Low Income Home Energy Assistance Program (“LIHEAP”) was transferred from the Texas Department of Human Services to TDHCA. LIHEAP funds added to the existing WAP funds administered by TDHCA. For over 20 years, TDHCA has been conducting weatherization for low-income households throughout the State of Texas.

The benefits of weatherization have been under study for many years. A report from Oak Ridge National Laboratory, a contracted independent laboratory for the DOE, found that weatherization generated benefits for ratepayers, households, and society as a whole. The *Nonenergy Benefits from the Weatherization Assistance Program: A Summary of Findings from the Recent Literature* report published in 2002 found that low-income households that received weatherization benefited from improved affordability of their place of residence by reduced utility costs and benefited from safety and health improvements, including fewer fires and fewer illnesses. In addition, the Oak Ridge report found that weatherization typically lowered costs for utility companies as a result of the reduced rate of nonpayment and costs associated with collections for nonpayment and fewer needs for service provision, such as emergency service calls. These savings to utility companies tend

to be passed on to ratepayers. Finally, weatherization creates societal benefits such as reduced emissions because of reduced energy usage and reduced unemployment as a result of the weatherization program. <sup>1</sup>

This report describes the efforts and estimates the effects of the State of Texas' weatherization program and similar programs offered by the utility companies in 2016 that provide weatherization services, as stipulated by Texas Utilities Code §39.905. The Department does not regulate these utility companies; information is based on what utility companies filed with the Public Utility Commission of Texas ("PUCT"). Estimates on cost savings were compiled based on these filings.

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<sup>1</sup> Schweitzer, M & Tonn, B. (2002, April). Nonenergy benefits from the weatherization assistance program: A summary of findings from the recent literature. Retrieved from [http://weatherization.ornl.gov/pdfs/ORNL\\_CON-484.pdf](http://weatherization.ornl.gov/pdfs/ORNL_CON-484.pdf).

## **SECTION I: TYPES OF WEATHERIZATION PROGRAMS**

### **State Weatherization Programs**

There are no state-funded residential weatherization programs in Texas applicable to this reporting requirement.

### **Federally-funded Weatherization Programs**

The Texas Department of Housing and Community Affairs (“TDHCA”) administers a residential Weatherization Assistance Program (“WAP”) which is funded by the U.S. Department of Energy (“DOE”) and by the U.S. Health and Human Services (“USHHS”) through its Low Income Home Energy Assistance Program (“LIHEAP”). These federally funded programs are administered through TDHCA’s Community Affairs Division.

TDHCA administers WAP through a network of Subrecipients. WAP allocates funding to serve all 254 counties to help households control energy costs through the installation of weatherization measures and energy conservation education. The Subrecipients consist of Community Action Agencies (“CAAs”), nonprofit entities, and units of local government.

The DOE WAP and LIHEAP WAP Program Year (“PY”) runs from January to December. During PY 2016, the targeted beneficiaries of DOE WAP in Texas were households with an income at or below 200 percent of Federal Poverty Guidelines with priority given to the elderly; persons with disabilities; families with young children; households with the highest energy costs or needs in relation to income (highest home energy burden); and households with high energy consumption. Household income eligibility was 150 percent of the Federal Poverty Guidelines for LIHEAP WAP.

The summary information regarding the performance of the WAP network is as of the date indicated. It reflects performance of the network as a whole. Although not specifically identified in that high level data, it is noted that from time to time one or more members of that network might have encountered compliance issues, failed to expend funds fully, relinquished their program, or have had one or more contracts terminated. The Department monitors all WAP providers to ensure compliant usage of these resources.

### **Utility-Funded Low-Income Energy Efficiency Programs**

The 79th Texas Legislature passed SB 712 requiring unbundled transmission and distribution utilities (“TDUs”) to provide funds for a targeted low-income energy efficiency program as described under Texas Utilities Code §39.905, if funding for such programs is not provided through the System Benefit Fund.<sup>2</sup> TDUs may contract with nonprofit or for-profit energy efficiency service providers to administer these programs. As required by statute, these targeted programs are to be coordinated with TDHCA’s existing weatherization programs and therefore are included in the Rider 14 report.

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<sup>2</sup> Texas Utilities Code §39.201 established a System Benefit Fund (“SBF”) to be funded by utilities at a rate determined by the PUCT. The SBF can be used, according to §39.903, to fund programs to assist low-income electric customers. The SBF is not active. Historical SBF balances were eliminated as required under House Bill (“HB”) 7, 83<sup>rd</sup> Legislature, Regular Session and HB 1101, 84<sup>th</sup> Legislature, Regular Session.

For the purposes of this report, only the utility-funded weatherization programs provided to low-income customers will be included. These low-income customers are usually served under the category called “hard-to-reach programs.” A list of the weatherization hard-to-reach programs is in Appendix A, taken verbatim from the energy efficiency plan and reports filed in 2016 with the PUCT.

The ten utilities that provide funding under Texas Utilities Code §39.905 requirements are as follows:

1. AEP Texas Inc.
2. CenterPoint Energy Houston Electric, LLC
3. El Paso Electric Company
4. Entergy Texas, Inc.
5. Oncor Electric Delivery Company LLC
6. Sharyland Utilities
7. Southwestern Electric Power Company
8. Southwestern Public Service Company
9. Texas-New Mexico Power Company

## SECTION II: Service Areas and Eligibility

### Federally Funded Weatherization

The most complete data available for this report is for calendar year (“CY”) 2016 (January 1, 2016 to December 31, 2016). See table below.

Table 1: Service Areas of TDHCA WAP Subrecipient Contractors, CY 2016

TDHCA WAP Contractor	WAP Counties Served
Alamo Area Council of Governments	Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson
Big Bend Community Action Committee, Inc.	Brewster, Crane, Culberson, Hudspeth, Jeff Davis, Pecos, Presidio, Terrell
Brazos Valley Community Action Agency, Inc.	Brazos, Burleson, Grimes, Leon, Madison, Montgomery, Robertson, Walker, Waller, Washington
City of Fort Worth	Tarrant
Combined Community Action, Inc.	Austin, Bastrop, Blanco, Caldwell, Colorado, Fayette, Fort Bend, Hays, Lee
Community Action Committee of Victoria, Texas	Aransas, Bee, Brazoria, Calhoun, DeWitt, Goliad, Gonzales, Jackson, Lavaca, Live Oak, Matagorda, McMullen, Refugio, Victoria, Wharton
Community Action Corporation of South Texas	Brooks, Cameron, Duval, Hidalgo, Jim Hogg, Jim Wells, Kenedy, Kleberg, San Patricio, Starr, Webb, Willacy, Zapata
Community Council of South Central Texas, Inc.	Dimmit, Edwards, Kinney, LaSalle, Maverick, Real, Uvalde, Val Verde, Zavala
Community Services, Inc.	Anderson, Collin, Denton, Ellis, Henderson, Hunt, Kaufman, Navarro, Rockwall, Van Zandt
Concho Valley Community Action Agency	Coke, Coleman, Concho, Crockett, Irion, Kimble, McCulloch, Menard, Reagan, Runnels, Schleicher, Sterling, Sutton, Tom Green
Dallas County Department of Health and Human Services	Dallas
Economic Opportunities Advancement Corporation of PR XI	Bosque, Ellis, Falls, Freestone, Hill, Johnson, Limestone, McLennan, Navarro
El Paso Community Action Program, Project Bravo, Inc.	El Paso

Greater East Texas Community Action Program (GETCAP)	Anderson, Angelina, Chambers, Cherokee, Galveston, Gregg, Hardin, Harrison, Henderson, Houston, Jasper, Jefferson, Kaufman, Liberty, Nacogdoches, Newton, Orange, Panola, Polk, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Trinity, Tyler, Upshur, Van Zandt, Wood
Hill Country Community Action Association, Inc.	Bell, Burnet, Coryell, Erath, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba, Somervell, Williamson
Neighborhood Centers Inc.	Harris
Nueces County Community Action Agency	Nueces
Panhandle Community Services	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler
Rolling Plains Management Corporation	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Shackelford, Stephens, Taylor, Wichita, Wilbarger, Young
South Plains Community Action Association, Inc.	Bailey, Cochran, Crosby, Dickens, Floyd, Garza, Hale, Hockley, King, Lamb, Lynn, Motley, Terry, Yoakum
Texoma Council of Governments	Bowie, Camp, Cass, Collin, Cooke, Delta, Denton, Fannin, Grayson, Hunt, Rockwall
Travis County	Travis
West Texas Opportunities, Inc.	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Loving, Martin, Midland, Mitchell, Nolan, Reeves, Scurry, Upton, Ward, Winkler

Data for federal programs included in this report is from TDHCA’s WAP. See the chart below for program specific eligibility guidelines. Each dwelling unit weatherized will count as a “household.”

Table 2: TDHCA WAP Eligibility Guidelines

Program	CY 2016
DOE WAP	200%
LIHEAP WAP	150%

## Utility-Funded Weatherization

Data for the utilities that participate in Texas Utilities Code §39.905 are compiled from energy efficiency plan and reports filed with the PUCT in 2017 for 2016 data. The following table shows the utilities and their hard-to-reach service areas.

Table 3: Hard-to-reach/Low-Income Weatherization Service Areas of Utilities Participating in Texas Utilities Code §39.905

Utility	Counties Served
AEP Texas Company – Central	Calhoun, Cameron, Colorado, Dimmit, Edwards, Goliad, Hidalgo, Jackson, Jim Wells, Kinney, Kleberg, La Salle, Matagorda, Maverick, Nueces, Real, Starr, Uvalde, Val Verde, Victoria, Webb, Wharton, Willacy, Zavala
AEP Texas Company - North	Brewster, Callahan, Coke, Concho, Fisher, Foard, Haskell, Jones, Kent, Menard, Presidio, Schleicher, Stonewall, Taylor, Tom Green, Upton, Wilbarger.
CenterPoint Energy	Brazoria, Ft Bend, Harris
El Paso Electric Company	El Paso
Entergy Texas, Inc.	Chambers, Grimes, Hardin, Harris, Jefferson, Liberty, Montgomery, Orange, Tyler, Walker
Oncor Electric Delivery Company	Andrews, Angelina, Archer, Bastrop, Bell, Brown, Cherokee, Clay, Collin, Comanche, Cooke, Coryell, Dallas, Dawson, Delta, Denton, Eastland, Ector, Ellis, Falls, Fannin, Freestone, Grayson, Henderson, Hill, Hood, Hopkins, Houston, Howard, Hunt, Jack, Johnson, Kaufman, Lamar, Leon, McLennan, Midland, Milam, Mitchell, Nacodoches, Navarro, Nolan, Palo Pinto, Parker, Red River, Rockwall, Scurry, Smith, Stephens, Tarrant, Ward, Wichita, Winkler, Young
Sharyland Utilities	Brown, Collin, Hidalgo, Hunt, McCulloch, Midland, Mills, San Saba
Southwestern Electric Power Company	Bowie, Camp, Cass, Franklin, Gregg, Harrison, Morris, Rusk, Titus, Upshur, Van Zandt, Wood
Southwestern Public Service Company	Bailey, Carson, Deaf Smith, Floyd, Gray, Hale, Hutchinson, Moore, Parmer, Potter, Randall
Texas - New Mexico Power Company	Bosque, Brazoria, Collin, Denton, Fannin, Galveston, Hill, Hunt, Lamar, Polk, Rains, Red River, Reeves, Somervell, Titus, Winkler

A customer participating in hard-to-reach weatherization programs offered by the utility will count as a “household.” The hard-to-reach designation denotes customers who are in the 200 percent Federal Poverty Guidelines income category and below. See table below for household income eligibility.

Table 4: Household Income Eligibility of Utilities Participating in Texas Utilities Code §39.905, CY 2016

<b>Utility</b>	<b>Program</b>	<b>% of Federal Poverty Guidelines for Household Eligibility</b>
AEP Texas Central Company	Hard-to-Reach Standard Offer Program	200%
AEP Texas Central Company	Targeted Low-Income Energy Efficiency Program	200%
AEP Texas North Company	Hard-to-Reach Standard Offer Program	200%
AEP Texas North Company	Targeted Low-Income Energy Efficiency Program	200%
CenterPoint Energy	Hard-To-Reach Standard Offer Program	200%
CenterPoint Energy	Targeted Low-income Market Transformation Program	200%
CenterPoint Energy	Multi-Family Market Transformation Program (MTP)*	200%
CenterPoint Energy	REP (CoolSaver Income Qualified)	Not mentioned
El Paso Electric Company	Hard-to-Reach Solutions	200%
Entergy	Hard To Reach Standard Offer Program	200%
Oncor Electric Delivery	Hard-to-Reach Standard Offer Program	200%
Oncor Electric Delivery	Targeted Weatherization Low-Income Standard Offer Program	200%
Sharyland Utilities	Hard To Reach Standard Offer Program	200%
Sharyland Utilities	Targeted Low-Income Weatherization Program	200%
Southwestern Electric Power Company	Hard To Reach Standard Offer Program	200%
Southwestern Public Service	Hard-To-Reach Standard Offer Program	200%
Southwestern Public Service	Low-Income Weatherization	200%
Texas - New Mexico Power Company	Hard-To-Reach Standard Offer Program	200%
Texas - New Mexico Power Company	Low Income Weatherization	200%

\*The Multi-Family MTP is targeted at both the residential market and the hard-to-reach market.

## SECTION III: LOW-INCOME HOUSEHOLDS

### Federally-Funded Weatherization

In 2016, 3,035 low-income households benefited from weatherization to their dwelling unit through TDHCA's WAP program which includes DOE WAP and LIHEAP WAP.

The distribution of low-income households served in CY 2016 among the WAP subrecipient contractors can be seen in the following table; some households may require assistance from both programs.

**Table 5: Dwellings Weatherized through TDHCA's WAP in CY 2016**

Entity	DOE Total	LIHEAP Total
Alamo Area Council of Governments	54	137
Big Bend Community Action Committee, Inc.	16	38
Brazos Valley Community Action Agency, Inc.	39	82
City of Fort Worth	46	128
Combined Community Action, Inc.	24	60
Community Action Committee of Victoria, Texas	32	69
Community Action Corporation of South Texas	109	242
Community Council of South Central Texas, Inc.	18	59
Community Services, Inc.	6	26
Concho Valley Community Action Agency	8	58
Dallas County Department of Health and Human Services	65	102
Economic Opportunities Advancement Corporation of PR XI	12	58
El Paso Community Action Program, Project Bravo, Inc.	49	109
Greater East Texas Community Action Program (GETCAP)	79	245
Hill Country Community Action Association, Inc.	16	65
Neighborhood Centers Inc.	130	272
Nueces County Community Action Agency	17	33
Panhandle Community Services	31	41
Rolling Plains Management Corporation	21	81
South Plains Community Action Association, Inc.	25	45
Texoma Council of Governments	11	86
Travis County	19	97
West Texas Opportunities, Inc.	21	54
<b>TOTAL</b>	<b>848</b>	<b>2187</b>

In 2016, the vast majority of the Department's WAP program funding was derived from LIHEAP WAP. The total amount of funds expended by the TDHCA WAP program for this period was \$20,963,220. The distribution of the program funds expended by program can be seen in the following table.

**Table 6: Total Program Funds Expended by TDHCA’s WAP in CY 2016**

TDHCA WAP Program	Program Funds Expended in CY 2016	Funds Expended per Weatherized Unit
DOE WAP	\$5,848,856.74	\$6,897.24
LIHEAP WAP	\$15,114,362.91	\$6,911.00

**Utility-Funded Weatherization**

In 2016, 22,335 low-income households participating in hard-to-reach programs benefited from energy efficiency monies through utilities. The total amount of funds expended by the programs during CY 2016 was \$25,277,691, compared to \$25,466,142 in 2015.

**Table 7: Customers Served by Utilities Participating in Texas Utilities Code §39.905, CY 2016, Total Program Funds Expended by Utilities and Average Amount Expended per Unit**

Utility	Program	Participating Hard-to-Reach Customers	Total Program Funds Expended	Average Amount Expended per Unit
AEP Texas Central Company	Hard-to-Reach Standard Offer Program	1,657	\$1,228,240	\$741
AEP Texas Central Company	Targeted Low-Income Energy Efficiency Program	349	\$1,368,500	\$3,921
AEP Texas North Company	Hard-to-Reach Standard Offer Program	219	\$187,590	\$857
AEP Texas North Company	Targeted Low-Income Energy Efficiency Program	65	\$288,340	\$4,436
CenterPoint Energy	Hard-To-Reach Standard Offer Program	322	\$357,062	\$1,109
CenterPoint Energy	Multi-Family MTP	2157	\$603,343	\$280
CenterPoint Energy	Targeted Low Income (Agencies In Action) MTP	1550	\$3,974,945	\$2,564
CenterPoint Energy	REP (CoolSaver Income Qualified)	98	\$34,695	\$354
El Paso Electric Company	Hard-to-Reach Solutions	3,943*	\$662,577	\$168
Entergy Texas, Inc.	Hard To Reach Standard Offer Program	2,948	\$1,406,762	\$477
Oncor Electric Delivery	Hard-to-Reach Standard Offer Program	5,368	\$6,703,481	\$1,249
Oncor Electric Delivery	Targeted Low-Income Standard Offer Program	1,002	\$5,531,643	\$5,520
Sharyland Utilities	Hard To Reach Standard Offer Program	26	\$74,218	\$2,854
Sharyland Utilities	Targeted Low Income Weatherization Program	35	\$85,504	\$2,443
Southwestern Electric Power Company	Hard To Reach Standard Offer Program	982**	\$935,922	\$953

<b>Utility</b>	<b>Program</b>	<b>Participating Hard-to-Reach Customers</b>	<b>Total Program Funds Expended</b>	<b>Average Amount Expended per Unit</b>
Texas - New Mexico Power Company	Hard-To-Reach Standard Offer Program	295	\$376,557	\$1,276
Texas - New Mexico Power Company	Low Income Weatherization	165	\$534,271	\$3,238
Southwestern Public Service Company	Hard-To-Reach Standard Offer Program	845	\$519,501	\$615
Southwestern Public Service Company	Low Income Weatherization	309	\$404,540	\$1,309
<b>Total</b>		<b>22,335</b>	<b>\$25,277,691</b>	<b>\$1,132</b>

\*The number indicates “Number of customer projects” in the report.

\*\* Number of participating accounts

## SECTION IV: ENERGY SAVED

### Federally-Funded Weatherization

According to the DOE, the average annual energy saved is 30.5 MBTUs (million British thermal unit) per dwelling unit weatherized. TDHCA used the applicable conversion rate of 293.1 to convert the MBTUs to kilowatt-hours. For an estimate of energy saved, TDHCA used the following formula:

$$[\text{Total Units}] \times 30.5 \times 293.1$$

Energy savings were calculated by multiplying the number of dwelling units weatherized by the DOE algorithm for average annual energy saved through weatherization per dwelling.<sup>3</sup>

To calculate money saved, TDHCA multiplied the total kilowatt-hours saved by the DOE average retail residential electric rate per kilowatt-hour, which is \$0.1099 per kWh for Texas in 2016.<sup>4</sup> TDHCA used the following formula:

$$[\text{Energy Saved}] \times [\text{average electric rate price (per kWh)}].$$

**Table 8: Estimated Energy Saved through TDHCA's WAP, CY 2016**

Entity	Total Units	Energy Saved(KWhs)	Money Saved (\$)
Alamo Area Council of Governments	191	1,707,454.05	\$187,649.20
Big Bend Community Action Committee, Inc.	54	482,735.70	\$53,052.65
Brazos Valley Community Action Agency, Inc.	121	1,081,685.55	\$118,877.24
City of Fort Worth	174	1,555,481.70	\$170,947.44
Combined Community Action, Inc.	84	750,922.20	\$82,526.35
Community Action Committee of Victoria, Texas	101	902,894.55	\$99,228.11
Community Action Corporation of South Texas	351	3,137,782.05	\$344,842.25
Community Council of South Central Texas, Inc.	77	688,345.35	\$75,649.15
Community Services, Inc.	32	286,065.60	\$31,438.61
Concho Valley Community Action Agency	66	590,010.30	\$64,842.13

<sup>3</sup> This calculation is taken from a Weatherization Assistance Technical Memorandum prepared by Oak Ridge National Laboratory. Document Number: ORNL/TM-2010/66.

<sup>4</sup> This rate is available at [http://www.eia.gov/electricity/data/state/avgprice\\_annual.xlsx](http://www.eia.gov/electricity/data/state/avgprice_annual.xlsx).

Dallas County Department of Health and Human Services	167	1,492,904.85	\$164,070.24
Economic Opportunities Advancement Corporation of PR XI	70	625,768.50	\$68,771.96
El Paso Community Action Program, Project Bravo, Inc.	158	1,412,448.90	\$155,228.13
Greater East Texas Community Action Program (GETCAP)	324	2,896,414.20	\$318,315.92
Hill Country Community Action Association, Inc.	81	724,103.55	\$79,578.98
Neighborhood Centers Inc.	402	3,593,699.10	\$394,947.53
Nueces County Community Action Agency	50	446,977.50	\$49,122.83
Panhandle Community Services	72	643,647.60	\$70,736.87
Rolling Plains Management Corporation	102	911,834.10	\$100,210.57
South Plains Community Action Association, Inc.	70	625,768.50	\$68,771.96
Texoma Council of Governments	97	867,136.35	\$95,298.28
Travis County	116	1,036,987.80	\$113,964.96
West Texas Opportunities, Inc.	75	670,466.25	\$73,684.24
<b>TOTAL</b>	<b>3035</b>	<b>27,131,534.25</b>	<b>\$2,981,755.61</b>

### Utility-Funded Weatherization

In the 2016 energy efficiency plan and reports filed with the PUCT, each utility that participates in Texas Utilities Code §39.905 reports on kWh saved through their programs for 2016. The total amount saved was 55,698,074 kWh in 2016, compared to 49,267,502 kWh in 2015.

The total money saved for low-income households served through utility-funded weatherization was estimated to be \$6,121,218, as compared to \$5,695,323 in 2015. The formula used to estimate the money saved for federally-funded programs is the same formula used to calculate the money saved for utility customers.

**Table 9: Estimated Energy Savings and Customer Savings by Utilities Participating in Texas Utilities Code §39.905, CY 2016**

Utility	Program	kWh Saved (Reported & Verified)	Energy Cost Saved (\$)
AEP Texas Central Company	Hard-to-Reach Standard Offer Program	5,749,025	631,818
AEP Texas Central Company	Targeted Low-Income Energy Efficiency Program	1,387,550	152,492

Utility	Program	kWh Saved (Reported & Verified)	Energy Cost Saved (\$)
AEP Texas North Company	Hard-to-Reach Standard Offer Program	736,447	80,936
AEP Texas North Company	Targeted Low-Income Energy Efficiency Program	227,901	25,046
CenterPoint Energy	Hard-To-Reach Standard Offer Program	629,000	69,127
CenterPoint Energy	Multi-Family MTP (HTR)	2,670,000	293,433
CenterPoint Energy	Targeted Low Income(Agencies In Action)	4,251,400	467,229
CenterPoint Energy	REP (CoolSaver Income Qualified)	162,000	17,804
El Paso Electric Company	Hard-to-Reach Solutions	1,460,000	160,454
Entergy Texas, Inc.	Hard To Reach Standard Offer Program	4,977,000	546,972
Oncor Electric Company	Hard-to-Reach Standard Offer Program	20,135,627	2,212,905
Oncor Electric Company	Targeted Weatherization Low-Income Standard Offer Program	3,915,584	430,323
Sharyland Utilities	Hard To Reach Standard Offer Program	240,000	26,376
Sharyland Utilities	Targeted Low Income Weatherization Program	95,000	10,441
Southwestern Electric Power Company	Hard To Reach Standard Offer Program	3,936,540	432,626
Southwestern Public Service Company	Hard-To-Reach Standard Offer Program	2,333,000	256,397
Southwestern Public Service Company	Low Income Weatherization	707,000	77,699
Texas - New Mexico Power Company	Hard-To-Reach Standard Offer Program	1,320,000	145,068
Texas - New Mexico Power Company	Low Income Weatherization	765,000	84,074
<b>Total</b>		<b>55,698,074</b>	<b>6,121,218</b>

In the 2016 energy efficiency plan and reports filed with the PUCT, each utility that participates in Texas Utilities Code §39.905 reports on overall peak electricity demand reduction for all energy efficiency programs offered by the utility. Peak electricity demand reduction indicates reduction in demand on the utility's system at the times of the utility's summer peak period or winter peak period. The following is the estimated peak demand savings for hard to reach programs.

**Table 10: Estimated Peak Electricity Demand Reduction by Utilities Participating in Texas Utilities Code §39.905, CY 2016**

Utility	Peak Demand Savings - Hard to Reach Programs* (MW)
AEP Texas Central Company	2.34
AEP Texas North Company	0.33
CenterPoint Energy	5.80
El Paso Electric Company	0.92
Entergy Texas, Inc.	1.42
Oncor Electric Delivery Company	9.73
Sharyland Utilities	0.10
Southwestern Electric Power Company	1.22
Southwestern Public Service Company	0.88
Texas - New Mexico Power Company	0.90

\* The savings figure includes the targeted low-income program (weatherization), if applicable, and the hard-to-reach standard offer program (SOP).

## **SECTION V: JOBS AND JOB YEARS CREATED**

### **Federally-Funded Weatherization**

The data for job creation was collected during the ARRA (American Recovery and Reinvestment Act of 2009) funding period for federal reporting requirements; however, the data is no longer collected through federal reporting requirements.

## **APPENDIX A: HARD-TO-REACH WEATHERIZATION PROGRAMS**

The following is a list of Hard-To-Reach Programs offered by the utility companies in Texas under Texas Utilities Code §39.905. The text is taken verbatim from each individual energy efficiency plan and report files, describing their weatherization activities.

### **AEP Texas Central**

#### **Hard-to-Reach Standard Offer Program (HTR SOP)**

The HTR SOP targets residential customers with total annual household incomes at or below 200% of current federal poverty guidelines. Incentives are paid to project sponsors for eligible measures installed in retrofit applications that result in verifiable demand and energy savings.

Project comprehensiveness is encouraged and customer education materials regarding energy conservation behavior are distributed by project sponsors.

#### **Targeted Low-Income Energy Efficiency Program (TLIP)**

The TLIP is designed to cost-effectively reduce the energy consumption and energy costs for low-income residential customers in central division service territory. Weatherization service providers install eligible weatherization and energy efficiency measures in qualified households that meet the Department of Energy (DOE) income-eligibility guidelines of at or below 200% of the federal poverty guidelines. A Savings-to-Investment Ratio of 1.0 or higher is required of each serviced dwelling unit.

### **AEP Texas North**

#### **Hard-to-Reach Standard Offer Program (HTR SOP)**

The HTR SOP targets residential customers with total annual household incomes at or below 200% of current federal poverty guidelines. Incentives are paid to project sponsors for eligible measures installed in retrofit applications that result in verifiable demand and energy savings.

Project comprehensiveness is encouraged and customer education materials regarding energy conservation behavior are distributed by project sponsors.

#### **Targeted Low-Income Energy Efficiency Program (TLIP)**

The TLIP is designed to cost-effectively reduce the energy consumption and energy costs for low-income residential customers in the North Division service territory. Weatherization service providers install eligible weatherization and energy efficiency measures in qualified households that meet the Department of Energy (DOE) income-eligibility guidelines of at or below 200% of the current federal poverty guidelines. A Savings-to-Investment Ratio of 1.0 or higher is required at each serviced dwelling unit.

## **CenterPoint**

### **Hard-To-Reach Standard Offer Program (HTR SOP)**

#### *Program Design*

Incentives are paid to project sponsors for qualifying measures installed in retrofit applications which provide verifiable demand and energy savings to customers whose annual total household income is less than 200% of current federal poverty guidelines. Qualifying energy efficiency measures include but are not limited to; air conditioning, duct sealing, weatherization, ceiling insulation, water saving measures, and ENERGY STAR® windows.

#### *Implementation Process*

Any registered project sponsor may submit an application for a project meeting the minimum requirements. Program information is provided on CenterPoint Houston's website.

#### *Outreach and Research Activities*

- Maintains internet website with detailed project eligibility, end-use measures, incentive structure, procedures and application forms;
- Conducts workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process.

### **Multi-Family MTP**

#### *Program Design*

The Multi-family HTR MTP encompasses three programs: Multifamily Water and Space Heating, Multi-family New Construction MTP, and Direct Install programs. Multi-family Space and Water Heating promotes the installation of energy efficient non-electric water heating in multi-family housing developments. Multi-family New Construction MTP incentivizes energy efficiency in new multi-family buildings. The Multi-family Direct Install Program offers property Owners and managers a free visual audit of existing units to see if the property is eligible for energy, efficient direct install measures, which may include CFLs and water saving measures and is only available to customers whose annual total household income is less than 200% of current federal poverty guidelines. If eligible, these measures will be installed at no cost and include an educational component.

#### *Implementation Process*

The Multi-family HTR and Multi-Family MTP programs are implemented by a 3rd party program implementer (Frontier Energy).

#### *Outreach and Research Activities*

- Contracts with a third-party program implementer to implement outreach and planning
- Provides point of purchase materials including yard signs, marketing kits, and brochures to participating developers and property managers

## **Targeted Low-Income MTP (Agencies in Action)**

### *Program Design*

The Targeted Low-Income MTP facilitates the installation of energy efficiency upgrades for low-income residential customers in single family or multi-family homes. Local non-profit organizations and energy service companies provide comprehensive, whole-house retrofits that maximize electricity savings to homes with an SIR greater than 1 by installing attic insulation, solar screens, lighting retrofits, water saving measures, ENERGY STAR® room air conditioners, central air conditioning systems, ENERGY STAR® refrigerators, duct efficiency improvement and air infiltration control for participants that have an annual household income of less than 200% of the federal poverty guidelines, and a maximum expenditure of \$6,500 is allowed per home..

### *Implementation Process*

CenterPoint Houston contracts with a program implementer (Frontier Energy) that has the responsibility of recruiting and overseeing the participating agencies and ESCOs. A NEAT audit and the SIR score determine which projects are selected for renovation.

### *Outreach and Research Activities*

- Partner with a 3rd party implementer
- Contact non-profit organizations for potential participation

## **El Paso Electric Company**

### **Hard-to-Reach Solutions MTP**

In 2016, the Hard-to-Reach Solutions MTP offered residential customers who were at or below 200% of the Federal Poverty Guidelines, through the use of participating contractors, incentives for making energy efficient improvements to their homes. This program focused on improving the energy efficiency of low income residential buildings, as well as improving the installation practices of the participating contractors. EPE contracted with a third-party implementer to administer the Hard-to-Reach Solutions MTP.

The 2016 goal for this program was 800 kW. There were 3,943 projects in this program that reduced demand by 924 kW and saved 1,460,375 kWh in energy.

## **ENERGY**

### **Hard To Reach Standard Offer Program (HTR SOP)**

#### *Program Design*

The HTR SOP targets low-income customers who receive distribution service from ETI with an income at or below 200% of the Federal Poverty Guidelines. Participating Project Sponsors receive incentive

payments for installing eligible measures in retrofit fashion that provide verifiable demand and energy savings. For 2017, ETI will provide incentives to Project Sponsors for installing LED lighting in addition to previously employed measures. The incentives will be offered at the standard incentive rate to encourage the implementation of this measure.

### *Implementation Process*

ETI will continue implementing its HTR SOP whereby any eligible Project Sponsor may submit an application for a project meeting the minimum program requirements. The program information on ETI's HTR SOP website is updated frequently with participating Project Sponsor information and the incentives available for installing eligible measures. In 2017, ETI will select nine Project Sponsors to participate in the HTR SOP in order to allow for the appropriate administrative control and visibility of Project Sponsors all year. By limiting the number of Project Sponsors allowed to participate in the program, ETI believes that there will be sufficient funds available to keep Project Sponsors working in ETI's service territory throughout the entire year and that program funding will not be exhausted by mid-year.

### *Outreach Activities*

ETI markets the availability of this program in the following manner:

- Utilizes mass electronic mail (e-mail) notifications to keep potential project sponsors interested and informed;
- Maintains internet website with detailed project eligibility, end-use measures, incentives, procedures, and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Conducts workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process; and
- Promotes the awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

## **ONCOR ELECTRIC DELIVERY COMPANY LLC**

### **Hard-to-Reach Standard Offer Program (HTR SOP)**

The HTR SOP targets residences with household incomes at or below 200% of the federal poverty guidelines. This program is designed to achieve energy and demand savings with the installation of a wide range of energy-efficiency measures. Energy Efficiency Service Providers implement energy saving projects in homes located in Oncor's service area. Incentives are paid to these Energy Efficiency Service Providers to help offset the cost of these energy efficiency measures.

The most common measures, such as insulation and caulking/weather-stripping are installed at low or no cost to the customer. Energy Efficiency Service Providers must test for air leakage before and after installation when installing caulking/weather-stripping measures. Oncor provides the incentive directly to the Service Provider. The 2017 budget for this program is \$6,567,780 with targeted impacts of 7,388 kW and 17,797,136 kWh. Qualifying measures are similar to those described above for the HEE SOP, as well as water-saving devices.

## Targeted Weatherization Low-Income SOP

For the 2017 Program year Oncor is implementing the Targeted Low-Income Weatherization Program to comply with the Public Utility Regulatory Act (PURA) §39.905(f) which states, “Unless funding is provided under §39.903, each unbundled transmission and distribution utility shall include in its energy efficiency plan a targeted low-income energy efficiency program as described by Section 39.903(f)(2), and the savings achieved by the program shall count toward the transmission and distribution utility's energy efficiency goal. The commission shall determine the appropriate level of funding to be allocated to both targeted and standard offer low-income energy efficiency programs in each unbundled transmission and distribution utility service area. The level of funding for low-income energy efficiency programs shall be provided from money approved by the commission for the transmission and distribution utility's energy efficiency programs. The commission shall ensure that annual expenditures for the targeted low-income energy efficiency programs of each unbundled transmission and distribution utility are not less than 10 percent of the transmission and distribution utility's energy efficiency budget for the year. A targeted low-income energy efficiency program must comply with the same audit requirements that apply to federal weatherization subrecipients.” Section 39.903(f)(2) states that targeted energy efficiency programs are to be administered by the Texas Department of Housing and Community Affairs (TDHCA) in coordination with existing weatherization programs.

16 TAC §25.181(r) states, “Unless funding is provided under PURA §39.903, each unbundled transmission and distribution utility shall include in its energy efficiency plan a targeted low-income energy efficiency program as described by PURA §39.903(f)(2). A utility in an area in which customer choice is not offered may include in its energy efficiency plan a targeted low income energy efficiency program that utilizes the cost-effectiveness methodology provided in paragraph (2) of this subsection. Savings achieved by the program shall count toward the utility's energy efficiency goal.

- (1) Each utility shall ensure that annual expenditures for the targeted low-income energy efficiency program are not less than 10% of the utility's energy efficiency budget for the program year.
- (2) The utility's targeted low-income program shall incorporate a whole-house assessment that will evaluate all applicable energy efficiency measures for which there are commission approved deemed savings. The cost-effectiveness of measures eligible to be installed and the overall program shall be evaluated using the Savings-to-Investment (SIR) ratio.
- (3) Any funds that are not obligated after July of a program year may be made available for use in the hard-to-reach program.”

Oncor is implementing a Program through Texas Association of Community Action Agencies (TACAA) who will provide funds to designated federal Weather Assistance Program (WAP) subrecipient agencies enabling them to provide weatherization services to residential electric distribution customers of Oncor who have household incomes at or below 200% of current federal Poverty Level Guidelines.

TACAA will be entitled to compensation for materials, labor and program support used by the federally funded Subrecipient to install weatherization measures for up to \$6,500 per weatherized Dwelling Unit. TACAA may reimburse the federally funded Subrecipient for program support costs and up to 10% of the invoice amount for administration, which amounts are not part of the 8% program administration fee paid

to TACAA. Federally funded Subrecipient program support costs shall be included in the calculation of the \$6,500 per Dwelling Unit cap, but shall not be included in calculating the Whole House SIR. Energy-efficient measures installed include aerators, attic insulation, air infiltration, central air conditioning units, central heat pumps, duct improvement, floor insulation, ENERGY STAR® refrigerators and ENERGY STAR® windows, showerheads, solar screens, window air conditioning units, wall insulation, water heater jackets and water heater pipe insulation.

The 2017 budget for this program is \$5,035,440 with targeted impacts of 1,518 kW and 2,737,531 kWh.

### *Program History*

This program targeted Oncor's low-income residential customers who met DOE's income eligibility guidelines which are at or below 200% of the Federal Poverty Guidelines and are connected to Oncor's electric system. Incentive funds were provided to the TDHCA sub-recipient agencies and other not-for-profit or local government agencies, enabling them to provide weatherization services to qualifying customers. Participating agencies provided outreach, eligibility verification, assessments, and could either install or contract for the installation of cost-effective energy-efficient measures. Agencies received reimbursement for conducting assessments and installing the measures, plus an administrative fee equal to eight percent of the measure installation costs. The maximum expenditure per home was \$6,500.

Energy-efficient measures installed included attic insulation, duct sealing and caulking/weather stripping around doors and windows, central air conditioning units, central heat pumps, window air conditioning units, replacement of electric water heaters, installation of ENERGY STAR® refrigerators, solar window screens, wall insulation, CFLs, water heater jackets and ENERGY STAR® ceiling fans with a light kit.

Prior to 2005, the TDHCA administered a targeted energy efficiency program that was funded through the System Benefit Fund (SBF). When appropriations from the SBF were discontinued for TDHCA's program in 2005, the Texas Legislature enacted SB 712. SB 712 amended PURA §39.905(f), requiring unbundled utilities like Oncor to fund through rates a targeted low-income energy efficiency program that would be administered by TDHCA. In the summer of 2006, the Commission approved (in Docket No. 32103) an agreement among TLSC/Texas ROSE, the Commission Staff, Oncor (then TXU Electric Delivery Company), AEP Texas Central Company, AEP Texas North Company, CenterPoint Energy Houston Electric, LLC, and Texas-New Mexico Power Company, that reflected a plan for implementing SB 712's requirements in calendar years 2006 and 2007 (the Docket No. 32103 Agreement). Oncor agreed to provide \$3,412,941 annually to TDHCA for the Company's SB 712 obligation. Among other terms, the Docket No. 32103 Agreement provided that the program would be targeted to households with income at or below 125% of the federal poverty guidelines.

On May 23, 2007, TDHCA informed Oncor that it was not authorized to spend the funds paid by Oncor due to a ruling by the Office of Comptroller of Public Accounts, and that Oncor should make alternative arrangements to complete the program that did not involve TDHCA. Thus, Oncor promptly entered into talks with Frontier Associates LLC (Frontier) and ultimately reached an agreement with Frontier for it to administer the SB 712 program in Oncor's service area, *i.e.*, the Pilot Targeted Weatherization Low-Income Program.

On July 27, 2007, TLSC/Texas ROSE filed a petition with the Commission seeking to have Texas Association of Community Action Agencies (TACAA) designated as the sole administrator for the SB 712 programs of all the unbundled utilities, including Oncor. TLSC/Texas ROSE's petition was litigated in Docket No. 34630, *Petition of Texas Legal Services Center and Texas Ratepayers' Organization to Save Energy to Modify the Commission's Final Order in Docket No. 32103 and to Reform the Agreement to Implement Weatherization Programs*. The Commission found that the utilities should have the flexibility to contract with a provider of their choice, as Oncor did with Frontier, to implement SB 712 programs.

During the 2011 Texas Legislative session SB 1434 was passed and signed into law by the Governor of Texas. Contained in the 2011 legislation is the following language related to the Targeted LIW Program:

*Unless funding is provided under Section 39.903, each unbundled transmission and distribution utility shall include in its energy efficiency plan a targeted low-income energy efficiency program as described by Section 39.903(f)(2), and the savings achieved by the program shall count toward the transmission and distribution utility's energy efficiency goal. The commission shall determine the appropriate level of funding to be allocated to both targeted and standard offer low-income energy efficiency programs in each unbundled transmission and distribution utility service area. The level of funding for low-income energy efficiency programs shall be provided from money approved by the commission for the transmission and distribution utility's energy efficiency programs. The commission shall ensure that annual expenditures for the targeted low-income energy efficiency programs of each unbundled transmission and distribution utility are not less than 10 percent of the transmission and distribution utility's energy efficiency budget for the year. A targeted low-income energy efficiency program must comply with the same audit requirements that apply to federal weatherization subrecipients. In an energy efficiency cost recovery factor proceeding related to expenditures under this subsection, the commission shall make findings of fact regarding whether the utility meets requirements imposed under this subsection. The state agency that administers the federal weatherization assistance program shall provide reports as required by the commission to provide the most current information available on energy and peak demand savings achieved in each transmission and distribution utility service area. The agency shall participate in energy efficiency cost recovery factor proceedings related to expenditures under this subsection to ensure that targeted low-income weatherization programs are consistent with federal weatherization programs and adequately funded.*

In 2012 Oncor implemented the program to provide funds to TDHCA sub-recipient agencies and other not-for-profit or local government agencies, enabling them to provide weatherization services to residential electric distribution end-use consumers of Oncor who had household incomes at or below 200% of the current federal poverty guidelines. Participating agencies provided outreach, eligibility verification, assessments, and either installed or contracted for the installation of cost-effective measures. Agencies received reimbursement for conducting assessments and installing the measures, plus an administrative fee equal to 8 percent of the measure installation costs. The maximum expenditure per home was \$6,500. The \$6,500 per home cap included assessment and/or testing fees from homes that did not qualify for installed measures based on the assessment.

## **Sharyland Utilities, L.P.**

### **Hard-to-Reach Standard Offer Program (HTR SOP)**

#### *Program Design*

The HTR SOP targets residential customers with total annual household incomes at or below 200% of the current federal poverty guidelines. Incentives are paid to project sponsors for a variety of eligible measures installed in retrofit applications that result in verifiable demand and energy savings. As with the Residential SOP, although Sharyland has set demand and energy incentive levels that are applicable across the entire service territory, Sharyland will consider whether program incentives should be set higher for measures performed in under-served counties to encourage activity in those areas. Sharyland encourages comprehensive projects. Commission-approved deemed savings values contained in the statewide TRM are accepted as measured and verified savings for projects submitted for approval in this program. The program manual for this program is available at <http://sharylandefficiency.com/residential/mamial.htm>.

#### *Implementation Process*

Any eligible project sponsor may submit an application to participate in the program; projects sponsors are selected to participate for the program year. The program information on Sharyland's website (<http://sharylandefficiency.com/residential/>) lists participating project\ sponsors and the program's on-line tracking system provides project sponsors with updates on remaining available incentive budget amounts.

#### *Outreach Activities*

Sharyland and its program administrator, Frontier Associates, market the HTR SOP in the following manner:

- Utilize mass e-mail notifications to inform and update potential project sponsors that provide energy-related services;
- Maintain internet website ([www.sharylandefficiency.com](http://www.sharylandefficiency.com)), which includes detailed project eligibility, end-use measures, incentives, procedures and application forms; and
- Conduct an initial workshop to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process.

### **Targeted Low-Income Weatherization Program (TLIWP)**

#### *Program Design*

Sharyland's Targeted Low-Income Weatherization Program (TLIWP) is designed to cost-effectively reduce the energy consumption and costs of low-income residential customers. In 2013 and the first part of 2014, only low-income residential customers in Sharyland's McAllen division were eligible to participate in the TLIWP. However, with the transition of Sharyland's Brady, Celeste, Colorado City, and Stanton divisions to competition in May of 2014, customers in those divisions were also eligible to participate in the program.

Through the TLIWP, weatherization service providers install eligible weatherization and energy efficiency measures in the homes of qualified residential customers who meet the current Department of Energy (DOE) income eligibility guidelines, which are customers at or below 200% of the Federal

Poverty Guidelines. This program (from SB 712 of the 79<sup>th</sup> Legislature) also provides targeted, eligible residential customers with basic on-site energy education.

Pursuant to 16 TAC §25.181(r)(3), TLIWP funds that are not obligated after July of a program year may be re-allocated to Sharyland's HTR SOP.

#### *Target Market*

An eligible residential customer is a customer that: (1) receives electric delivery service from Sharyland; (2) meets the current DOE income eligibility guidelines; and (3) has electric air conditioning.

#### *Implementation and Outreach Activities*

Frontier Associates will implement Sharyland's TLIWP in 2017 and 2018, interfacing with government and/or not-for-profit agencies that will contract with weatherization service providers under this program. These agencies will verify customer eligibility and conduct an energy use assessment of eligible customers' homes. The agencies will select measures to be installed based on the savings-to-investment ratio (SIR), which evaluates cost effectiveness using the present value of the measure's lifetime energy savings divided by installation costs. Energy savings are based on deemed savings values approved by the PUCT and contained in the Technical Reference Manual (TRM).

## **Southwestern Electric Power Company**

### **Hard-to-Reach Standard Offer Program (HTR SOP)**

The HTR SOP targets residential customers in existing homes with total annual household incomes at or below 200% of current federal poverty guidelines and who have properly completed a Public Utility Commission of Texas (PUCT) approved income verification form, or who have been designated as HTR eligible through another PUCT-approved verification methodology. Incentives are paid to project sponsors for eligible measures installed in retrofit applications that result in verifiable demand and energy savings. Project comprehensiveness is encouraged and customer education regarding energy conservation behavior is provided by materials distributed by project sponsors.

## **Southwestern Public Service Company**

### **Hard-to-Reach Standard Offer Program**

Hard-to-Reach customers are defined by 16 TAC § 25.181(c)(27) as customers with an annual household income at or below 200% of federal poverty guidelines. The Hard-to-Reach SOP provides incentives for the comprehensive retrofit installations of a wide range of measures that reduce demand and save energy. This program is split into two segments, one for single-family residences and one for multi-family residences. Incentives and savings are tracked separately for these segments but are reported together in this EEPR.

### **Low-Income Weatherization Program**

SPS's Low-Income Weatherization program is designed to cost-effectively reduce the energy consumption and energy costs of SPS's low-income customers. Under this program, one or more program implementers contract with sub-recipients and other not-for-profit community action and government

agencies to provide weatherization services to SPS residential customers who meet the current Department of Energy income-eligibility guidelines. Customers also must have electric air conditioning to be eligible for the program. Implementation of SPS's Low-Income Weatherization program provides eligible residential customers appropriate weatherization measures and basic on-site energy education and satisfies the requirements of 16 TAC §25.181(r).

## **Texas-New Mexico Power Company**

### **Hard-To-Reach Standard Offer Program (HTR SOP)**

#### *Program Design*

The HTR SOP targets low income customers, defined as a household income at or below 200% of the federal poverty guidelines, or who meet certain other qualifications. Incentives are paid to Project Sponsors for certain eligible measures installed in retrofit applications as defined in the Texas TRM.

#### *Implementation Process*

TNMP continues implementation of its HTR SOP, whereby any eligible Project Sponsor may submit an application for a project meeting the minimum requirements. The program information on TNMP's website is updated annually to reflect participating Project Sponsors and the program database reflects incentive amounts that are available.

#### *Outreach Activities*

TNMP markets the availability of its programs in the following manner:

- Utilizes mass electronic mail (e-mail) notifications to keep potential Project Sponsors interested and informed;
- Maintains a website with detailed project eligibility, end-use measures, incentives, procedures and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Participates in statewide outreach activities, as may be available; and
- Conducts workshops as necessary to explain elements such as responsibilities of the Project Sponsor, project requirements, incentive information, and the application and reporting process.

### **Low Income Weatherization Program**

#### *Program Design*

Each unbundled transmission and distribution utility shall include in its energy efficiency plan a targeted low income energy efficiency program as described by PURA § 39.903(0)(2). The Low Income Weatherization Program targets TNMP's low income residential customers who: a) meet the Department of Energy's income eligibility guidelines, defined as at or below 200% of the federal poverty level; b) are connected to TNMP's electric system; and c) have been qualified through the Service Providers guidelines. Effective in 2011, S.B. 1434 required that no less than 10% of the total energy efficiency portfolio budget be allocated to Low Income Weatherization. The program has been designed to identify non-traditional agencies to reach a broader audience.

### *Implementation Process*

TNMP continues to contract with Frontier Associates- (Implementer) to provide marketing and education to local government organizations and not-for-profit "agencies: The Implementer contracts with the Texas Department of Housing & Community Affairs' ("TDHCA") subrecipients and other not-for-profit community action and government agencies (i.e. low income advocates) to provide weatherization services to eligible residential TNMP customers.

The agencies select measures to be installed based on the savings-to-investment ("SIR") ratio, which evaluates cost-effectiveness using the present value of the measure's lifetime energy savings divided by the installation costs. Agencies receive payment for the measure installation costs, plus an administrative fee of 8%, and up to the-maximum allowable expenditure of \$6,500 per home. Energy savings are defined in the Texas TRM. Eligible measures include:

- Attic insulation
- Central AC replacement
- Infiltration control
- Refrigerator replacement (in multi-family housing only)
- Solar screens
- Wall insulation

### *Outreach Activities*

Low income advocates throughout TNMP's service territory will be called upon to participate. Workshops, database training and updates to policies and procedures will take place annually, or as needed.



**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

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Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.  
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