

NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES

RESOLUTION 2011-4

URGING AN EQUITABLE EXPENDITURE OF ENERGY EFFICIENCY FUNDS ON AFFORDABLE MULTIFAMILY HOUSING UNITS

1 *Whereas*, natural gas and electric companies, along with other energy efficiency program
2 administrators, expended more than \$5 billion on energy efficiency programs in 2009, as
3 estimated by the Consortium for Energy Efficiency;¹ and

4 *Whereas*, many states have already committed to substantially increasing their energy
5 efficiency expenditures over the next one to three years, with some states planning to
6 double or triple those expenditures between 2009 and 2012; and

7 *Whereas*, energy efficiency programs have in the past not always been well-designed for
8 easy access by owners of, or tenants living in, multifamily affordable housing; and

9 *Whereas*, multifamily affordable housing, especially housing assisted by the federal
10 Department of Housing and Urban Development and state housing finance agencies, or
11 receiving assistance via the Low-Income Housing Tax Credit, provides critically needed
12 housing for some of the poorest families in America; and

13 *Whereas*, this same multifamily affordable housing stock is, on average, older than the
14 entire U.S. housing stock; contains older appliances; and is generally less energy efficient
15 than other housing; and

16 *Whereas*, energy efficiency programs and weatherization should result in more
17 affordable utility services for low-income consumers in multifamily buildings and,
18 therefore, reduce the number of customers disconnected for non-payment; and

19 *Whereas*, utility companies could achieve significant cost-effective energy savings by
20 investing more of their energy efficiency programs funds in affordable multifamily
21 housing, while also helping to preserve that housing as affordable for the tenants;

22 *Now, therefore, be it resolved*, that NASUCA supports the following principles regarding
23 the expenditure of energy efficiency funding:

24 1. That utilities and other program administrators that expend energy efficiency
25 funds collected via utility bills should spend an equitable share of their available energy
26 efficiency funds on cost-effective energy efficiency programs for the affordable,
27 multifamily housing sector, giving just and due consideration to (a) the percentage of
28 sales (kWh, therms, or ccf, as applicable) to multifamily buildings in the utility's service
29 territory, in comparison to total sales, and (b) the percentage of any systems benefit
30 charge, or other energy efficiency charge, that is collected from owners or tenants in

31 affordable multifamily housing, in comparison to the total collected through the systems
32 benefit charge, or other energy efficiency charge;

33 2. That utilities and other energy efficiency program administrators should
34 specifically design cost-effective energy efficiency programs to improve awareness of
35 energy costs in rental facilities, meet the needs of the owners and tenants of affordable
36 multifamily housing, and offer the opportunity for “one-stop shopping;”²

37 3. That such specifically designed programs should address these obstacles: (a) that
38 affordable multifamily housing buildings often have a mix of master (owner-paid) and
39 individual meters, which may result in the owner and tenants having to make multiple
40 applications and/or apply to both “commercial” and “residential” programs, rather than
41 being able to make a single application; (b) that a particular multifamily property may
42 include a mix of building types, such as low-rise townhouse buildings and high-rise
43 towers, which may result in the owner having to submit multiple applications and/or
44 speak to different staff and departments at the utility company; and (c) that a utility may
45 have existing programs that are well-designed for residential properties containing 1 to 4
46 units, and to commercial buildings and properties, but not have any program for larger
47 residential buildings;

48 4. That utilities and other energy efficiency program administrators will best succeed
49 in equitably meeting the energy efficiency needs of affordable multifamily housing by
50 working in collaboration with a broad group of representative of the owners and tenants
51 of that housing, including representatives from agencies that administer state and federal
52 programs in support of affordable multifamily housing;

53 5. That public utility commissions, in utility proceedings in which utility
54 expenditures on energy efficiency are or could be raised as an issue, should investigate
55 the extent to which the company in question is expending an equitable portion of its
56 energy efficiency budget on cost-effective energy efficiency programs for the affordable
57 multifamily housing sector and making reasonable efforts to overcome any existing
58 barriers to the participation by owners and tenants of affordable multifamily housing in
59 the company’s energy efficiency programs;

60 ***Be it further resolved,*** that NASUCA authorizes its Executive Committee to develop
61 specific positions and take appropriate actions consistent with the terms of this resolution.
62 The Executive Committee shall advise the membership of any proposed action prior to
63 taking action if possible. In any event the Executive Committee shall notify the
64 membership of any action pursuant to this resolution.

Submitted by Consumer Protection Committee

Approved June 28, 2011
San Antonio, Texas

¹Nevius, M., Eldridge, R., and Krouk, J., “The State of the Efficiency Program Industry: Budgets, Expenditures, and Impacts 2009,” Consortium for Energy Efficiency (March 2010), available at <http://www.cee1.org/files/StateofEEIndustry2009.pdf>.

²In this context, “one stop shopping” means offering the owner of multifamily housing a simple, single point of entry to apply for utility-funded energy efficiency services, even if the owner’s property includes a mix: of individual (tenant-paid) meters and master meters, of building size and types (e.g., low-rise, high-rise, duplex, townhouse), and of loads (gas and electric).