

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

**Proceeding on Motion of the Commission to Examine Programs to
Address Energy Affordability for Low Income Utility Customers**

Case 14-M-0565

**The Natural Resources Defense Council, Pace Energy and Climate Center, WE ACT for
Environmental Justice, the Association for Energy Affordability, and the Center for
Working Families filing Jointly as “Energy Efficiency for All”**

Dated: September 8, 2015

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Reply Comments to New York Public Service Commission Staff Report

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I. Introduction

The Natural Resources Defense Council, Pace Energy and Climate Center, WE ACT For Environmental Justice, the Association for Energy Affordability, and the Center for Working Families are pleased to present these reply comments to the New York Public Service Commission (“Commission”) Staff (“Staff” or “Department”) Report filed on June 1, 2015 (“Staff Report”) in Case 14-M-0565, Proceeding on Motion of the Commission to Examine Programs to Address Energy Affordability for Low Income Utility Customers (“Proceeding”).

Energy Efficiency for All would like to express our thanks to Staff for the hard work they have put into the Staff Report. Protecting low-income customers is vitally important, and the Staff Report provides a solid foundation on which to develop support for vulnerable communities.

Approximately 20 different parties commented on the Staff Report, with large overlap in coverage and viewpoint. In these reply comments, we reinforce where stakeholders are aligned on the need for this proceeding to: (1) facilitate an integrated approach to low-income protection among programs and agencies¹; (2) focus on increasing low-income affordability and reducing energy burdens for all New Yorkers²; (3) ban reconnection fees for low-income customers³; and (4) adopt a multi-pronged approach, as is also supported by the New York Department of State Utility Intervention Unit’s (“UIU”) and other parties.⁴

¹ *Id.* at 3.

² *Id.* at 4.

³ *Id.* at 8.

⁴ *Id.* at 7-8.

Following the discussion of stakeholder alignment, we will address the power of the REV and related proceedings as job creation tools, and the importance of leveraging Energy Efficiency and Income Assistance Programs to support jobs for low-income New Yorkers. Finally, we will address the need to involve low-income communities and voices in the process of developing recommendations.

II. Stakeholder Alignment on the Importance of an Integrated Strategy to Harness the Benefits of Energy Efficiency for Low-Income Customers and New York as a Whole

We wish to emphasize the importance of recognizing the following two points: that the consideration of efficiency and DER within low income assistance programs is ultimately the best way to leverage customer funds to the benefit of all New Yorkers and to meet this Proceeding's goals and directives. In order to do so, current low-income assistance programs should be deployed as efficiently as possible, with existing budgets preserved or (ideally) expanded. In furtherance of these goals, and others, areas of consensus among various stakeholders include:

- 1. The need to develop an integrated, comprehensive approach to low-income assistance across REV and related proceedings.* Parties, including the Alliance for a Green Economy ("AGREE"), the Citizens' Environmental Coalition ("CEC"), and UIU, emphasized the importance of having an integrated, comprehensive approach to low income assistance. UIU in particular emphasized the importance of involving all relevant state agencies in this process. By considering the low income proceeding in the context of the larger REV process, the Commission will be better able to provide necessary support to all low-income households.

2. *The importance of prioritizing low-income affordability and a reduction in overall energy burdens.* Parties, including AGREE, CEC, the New York State Energy Research and Development Authority (“NYSERDA”), and UIU all emphasized the importance of prioritizing low-income affordability and a reduction in overall energy burdens. In order to best serve low-income communities efficiently, the Commission should include a focus on promoting energy efficiency and DER. Indeed, energy efficiency within the multifamily sector (which is predominantly low income) is a largely unaddressed area of need, and has the potential to realize over \$3 billion in energy savings over the next 20 years.⁵ Such a focus on energy efficiency and DER, as NYSERDA emphasized in their comments, will provide economic, energy, health, and other social benefits both to low-income communities and to New York as a whole.

3. *Banning reconnection fees for low-income customers.* CEC and UIU spoke out against reconnection fees for low-income customers, while New York City opposed reconnection fee waivers under the theory that waivers ultimately increase termination rates. Similarly, AGREE spoke in favor of requiring mediation before utilities can terminate service for low-income homes. Energy Efficiency for All agrees that reconnection fees are particularly harmful and should be banned in cases involving low-income customers, who already face disproportionate termination rates.

4. *Consider the use of a multi-pronged approach, as recommended by UIU and others.* Several parties showed support for the UIU recommendations.⁶ CEC, New York City, and UIU all showed support for extending eligibility criteria beyond receipt of HEAP benefits. CEC

⁵ *Id.* at 8.

⁶ Staff Report, pp. 18-19.

specifically recommended using Lifeline criteria to determine support eligibility, which we agree with. AGREE and CEC showed support for increasing discount rates in order to reach a 6% energy burden target. AGREE emphasized support for inclusion of energy conservation, efficiency, and weatherization services in all low-income programs. CEC and New York City both spoke in favor of arrears forgiveness. CEC favored creation of an “affordability block” to reward low income customers for reducing their energy usage. Finally, AGREE and CEC spoke in favor of improving data collection and evaluation metrics for utility programs. Energy Efficiency for All agrees with these commenters that these UIU recommendations have promise for protecting and serving low-income customers, and urges the Commission to consider these approaches.

III. Capture the Co-Benefits of Supporting Good Jobs for Low to Moderate Income New Yorkers Through Energy Efficiency and Income Assistance Programs

The primary goal of energy efficiency and income assistance programs is to help low income folks in New York State reduce their energy bills and improve the comfort and safety of their homes, especially during the coldest and hottest times of the year. It is important, however, to recognize that REV markets should also provide important job creation opportunities that should include low income New Yorkers. As part of a more holistic approach to alleviating the New York energy burden, Efficiency for All urges the Commission to develop an intentional strategy around the development of training opportunities and jobs for low to moderate income New Yorkers in the context of low income assistance and REV participation.

IV. Better Engagement of Low Income Voices in the Development of Recommendations

Energy Efficiency for All believes that the Commission should work with stakeholders to develop processes to engage the voices of low-income New Yorkers in the process of designing an energy system that is protective of and responsive to the needs of low-income people in this state. While we recognize that there is a need to move swiftly, we also feel that move swiftly has come at the expense of deeper engagement of a very important and significantly impacted sector, low-income people in New York State. We urge the Commission to adopt strategies of partnering with local community-based organizations to deepen the engagement of targeted low-income communities. We stand ready to work with the Commission on developing some of these ideas for deepening engagement of low-income voices.

V. Conclusion

We would like to once again express our thanks to Staff for the hard work put into the Staff Report. We acknowledge the positive steps taken within the Staff Report towards protecting low-income customers, and look forward to working with the Commission, Staff, and other stakeholders in developing improvements for low-income programs.

Energy Efficiency for All believes that REV should power solutions to New York's energy burden, particularly for the most vulnerable. In order to do so, we urge the Commission to take practical near term steps, like banning reconnection fees for low income customers and utilizing the Lifetime eligibility criteria. We also ask that the commission seek to streamline and enhance processes between agencies when possible. Ultimately, an intentional, holistic and

multi-pronged approach to reducing energy burdens should be a result of this proceeding, and a result of REV.

Reducing energy burdens will make REV more cost effective and improve New York's health and economy. There is a strong link between energy burdens and customer health and well-being, particularly in the context of impending climate change. For example, the heating season presents a special challenge for low-income families that are often forced to choose between paying utility bills and paying for food. Many more families will likely face the 'heat or eat' dilemma this winter. Likewise, the hot summers can also leave many senior citizens, people with respiratory illnesses and those with limited or no mobility vulnerable to heat stroke or even death because they cannot afford to cool their homes.

We urge the Commission to ensure that this proceeding provides a solid foundation on which to develop a suite of policies that mitigate energy poverty and avert public health crises, particularly in the face of increased severe weather events due to climate change. In doing so, the process of reforming our energy vision will not only create the nation's leading energy platform, but if done correctly, can also protect the public health and wealth of the most vulnerable.

Respectfully submitted:

[Signatures to Follow]

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