



Low-Income Energy Conservation

April 20, 2015

Energy conservation is our first resource.

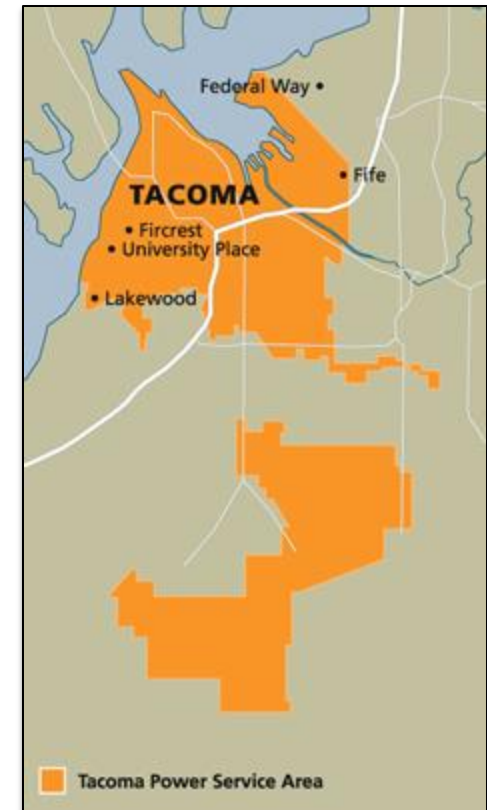
- Conservation Resource Management (CRM) is responsible for meeting energy acquisition goals defined by our Integrated Resource Plan (IRP).
- 32 Employees – managers, field staff, office support, analysts.

Customers served.

- 18,000 Commercial / Industrial customers.
- 154,000 residential customers.
 - 55% within Tacoma city limits.
 - 45% outside Tacoma city limits.
- Weatherized ~22,600 homes since 1980.

Challenging urban service area.

- Service territory not congruent.
- Eight electric utilities offer conservation rebates.
- A gas utility.
- Two CAP agencies.



Significant Low-Income Weatherization Need

Significant number of low-income customers.

- 12% of families below federal poverty level.
- 18% of households receive food stamps.
- 34% have household incomes below \$35,000.
- Median household income is \$52,000/yr
 - ~ \$15,000/yr lower than Seattle-Tacoma-Bellevue metro area

Significant WX opportunity.

- 40% of homes electrically heated.
- 62% of homes built before 1980.
- Records indicate approximately 10,000 homes left to weatherize.

How Our Low-Income Program Works

Uses non-low income WX program structure.

- Same process/staff as our NLI program (except certification).
- Same contractors as our NLI program.

Encourage rental property weatherization.

- Weatherization is certified based on tenant income.
- Ductless heat pumps are certified based on owner income.

Up to 100% of project cost – subject to cost caps.

Partnership with CAP agencies.

- Projects that require significant repair prior to WX installation.
- Non-energy projects.
- Leverage special funding sources (e.g. ARRA).
- Share income qualification documentation.

This model may NOT work in all service territories

Typical Low-Income Weatherization/DHP Project

1. Customer signs contract with trade ally.
 - Customer selects a trade ally from Tacoma Power trade ally list.
 - Trade ally recruits customer.
2. Trade ally collects low-income documents from customers and submits project information to Tacoma Power.
3. Tacoma Power certifies customers.
 - Meets requirements = notice to proceed.
 - Does not meet requirements = work to meet or refer to other funding.
4. Customer assigns incentive to trade ally.
5. Trade ally completes project.
6. Tacoma inspects/approves project and pays trade ally.
7. Trade ally collects any difference from customer.

Low-Income Work – Past Success and Future Challenges

Past Success.

Year	# Single Family WX	# Multifamily WX	# Ductless Heat Pump	Total Spent
2011	305	30	0	\$2,064,000
2012	272	56	114	\$3,263,900
2013	347	38	200	\$3,412,500
2014	209	13	248	\$2,121,300

Challenges.

- Measure savings have been de-rated.
- Installation costs are going up.
- Documentation cost for multifamily is expensive.
- Supplemental / portable space heat.