

**TO: AE**

**Date: August 5, 2015**

### **Request for Information**

The following questions relate to a geographical map on "rebate money paid out" attributed to Austin Energy that was published in the Austin American Statesman. A copy of that article is attached with this request for further clarification. When information is requested by zip code, please identify and list the zip code(s) by number.

1. Over what time period(s) were these rebates paid out?
2. Over the time period what was the total amount of rebates paid out that are represented on the map?
3. Were any of the rebates reflected on the geographical map commercial (including multi-family) rebates?
4. If the answer to No. 3 is yes, please provide for each zip code the total amount of commercial rebates reflected on the map that was paid out during the respective time period(s).
5. For each zip code, please provide the total amount of rebates reflected on the map that was paid out. (i.e. 78704--\$10 million).
6. Were any of the rebates referred to on the map paid for with Department Of Energy ("D.O.E.") funds? (i.e. the weatherization grants A.E. received from the Texas Department of Housing and Community Affairs) or other third party funding?
7. If the answer to No. 6 is yes, please provide the total amount of rebate monies paid out for each zip code that were ultimately funded with D.O.E. grant monies or some other third party funding during the same time period relied upon in the map.
8. Does any of the rebate monies paid out that are referred to in the map involve AE expenditures on solar projects funded through the energy efficiency program?
9. If the answer to No. 8 is yes, for each zip code please identify the total amount of AE expenditures on solar projects out of the total rebate monies paid out reflected on the map.
10. If the answer is no, please provide for each zip code, the total amount of AE expenditures paid out of the EE budget that were spent on solar projects for the same time period(s) as reflected on the map.
11. Do any of the rebate monies paid out referred to in the map involve AE expenditures on green building projects funded out of the EE budget?
12. If the answer to No. 11 is yes, please identify for each zip code the total amount of AE expenditures out of the "total rebates paid out" that were spent on green building projects funded out of the EE budget.

13. If the answer to No. 11 is no, please provide by zip code the total amount of AE expenditures paid out of the EE budget that were spent on green building projects funded out of the EE budget for the same time period referenced in the map.
14. Does any of the rebate monies paid out referenced in the map involve A.E. expenditures on demand management programs/projects funded out of the EE budget?
15. If the answer to No. 14 is yes, for each zip code please identify the total amount of AE expenditures out of the "total rebates paid out" that were spent on demand management projects funded out of the EE budget.
16. If the answer to No. 14 is no, please provide by zip code the total amount of AE expenditures paid out of the EE budget for demand management projects/programs for the same time period as used for the map.
17. Was any of the "rebate monies paid out" referred to in the map funded with CAP funds out of the CAP budget (as opposed to the EE budget)?
18. If the answer to No. 17 is yes, for each zip code, please provide the total amount of the "rebate monies paid out" referenced in the map that were funded out of the CAP budget.
19. Please provide the total amount of AE expenditures out of EE budget that were spent for each of the following programs during the same time period(s) used in the map:
  - a. Demand management programs/projects;
  - b. Solar projects/programs funded with the energy efficiency rate;
  - c. Green building programs/projects; and
  - d. Commercial programs/projects
  - e. Rebates
20. Please provide by zip code the total, non-CAP, residential energy efficiency program rebates paid out in FY 2014 by AE.
21. Please provide by zip code the total amount of AE expenditures on solar that were funded with energy efficiency rates in FY 2014.
22. Please provide by zip code the total amount of AE expenditures on green building projects funded with energy efficiency rates in FY 2014.
23. Please provide by zip code the total amount of AE expenditures on multi-family rebates that were funded with energy efficiency rates in FY 2014.
24. Please provide by zip code the total amount of AE expenditures on demand management programs funded with energy efficiency rates in FY 2014.
25. Please provide by zip code the total amount of AE expenditures on commercial rebates (excluding multi-family) that were funded with energy efficiency rates.
26. Please provide by zip code the total amount of AE expenditures on rebates funded with CAP rates in FY 2014.

## GOVERNMENT SPENDING ENERGY REBATES

# Wealthier residents get millions in utility rebates

Austinites who cash in tend to be from city's higher-income areas.

By Asher Price [asherprice@statesman.com](mailto:asherprice@statesman.com)

To meet the ambitious energy and water conservation goals set by Austin's City Council, city-owned utilities have subsidized home and landscape improvements for years in some of the city's wealthier neighborhoods.

The water and electricity utilities have distributed at least \$165 million worth of conservation-promoting rebates. An analysis by the American-Statesman found that the ratepayers who draw rebates for new air conditioning units, rooftop solar panels, swimming pool covers and refrigerator upgrades tend to live in ZIP codes with higher median incomes than the rest of the city.

The drought survival tool program, for example, which subsidizes residents' laying down compost and mulch in their yards, has seen its most intensive use in the 78739 ZIP code in Southwest Austin, where the median household income is \$126,525 — more than double the city's median income of \$52,431.

More than \$8.5 million in rebates for air conditioning system upgrades have been distributed in the 78749 ZIP, which has a median income of \$80,956.

The rebate programs, some of which stretch back 30 years, go to a central tension at the utilities, charged with reducing electricity generation and water consumption while keeping the resources affordable for a growing city.

Utility officials say the rebates, while not specifically targeted at higher-income customers, are successful in lowering energy and water use because larger homes and landscapes tend to use more power and water. The officials say the rebates should be seen in the context of other city-run programs that help lower-income residents pay their electric and water bills.

A consumer advocate says Austin could do more to help people with more limited means.

Carol Biedrzycki, executive director of Texas Ratepayers Organization to Save Energy, which advocates on behalf of lower-income ratepayers, said that just by dint of having conservation programs, Austin Energy is "way ahead of the game."

But, she said, a free weatherization program should be expanded beyond the poorest residents to include members of the middle class. In some cases, such as the air conditioner replacement program, she said she suspects the city is giving rebates to people who would be replacing their air conditioning units anyway.

A low-income consumer advisory task force, charged with figuring out how to keep bills down for low-income residents as rates go up, met for the first time last week. Nearly 40 percent of Austin Energy households are within 200 percent of the poverty threshold, which amounts to nearly \$48,000 for a family of four. Residents whose income is below that mark are eligible for free weatherization, which includes the blowing of insulation in the attic, to tamp down electricity use.

Undergirding the rebate programs are goals set by the City Council: to save 800 megawatts on the energy side and to cut water use by 140 gallons per capita per day by 2020.

On the electricity side, where nearly all the rebate dollars come from, Austin Energy has saved about 440 megawatts since 2007, the amount of energy used by roughly 88,000 homes on a hot summer day. And on the water side, thanks in some small part to programs like the drought survival tool, Austin Water Utility officials say they have now met that 140-gallon mark — and have seen a 70 percent decline among the city's biggest water users between 2011 and 2014.

"Austin is so committed to sustainability," said Debbie Kimberly, who heads the customer energy solutions team at Austin Energy.

Residents of wealthier neighborhoods are more likely to be able to afford the upfront capital costs associated with adding solar panels to their roofs

— a cost the city helps defray through one of its major rebate programs.

But utility officials say the rebate programs are only half the story. Austin Energy has had a free weatherization program in place for low-income residents since 1983, spending about \$2 million annually to fix up about 300 homes. With an aim of being “socially responsible,” said Kimberly, about 43,000 low-income Austin Energy customers get a discount of, on average, \$23 a month on their electric bills.

Paul Robbins, a longtime observer and sometime critic of the utilities, said the balance makes sense. Because conservation programs are funded with the equivalent of a surcharge on electric bills, wealthier people pay more into the programs because they use more energy, he said.

Austin Energy data have shown that ratepayers in higher-end ZIP codes consistently use more energy than ratepayers on the east side of town: Smaller homes and apartments, unsurprisingly, typically use a third of the energy that large ones use.

“We collect money from all customers and want to distribute it equitably,” Kimberly said.

Austin Water Utility has a similar mix of conservation programs, with rebates chiefly used in wealthier neighborhoods and offsetting customer programs.

“A lot of the conservation efforts are aimed at cutting down high users, and they tend to be in high-income areas,” said Daryl Slusher, assistant director of Austin Water Utility.

The water utility, too, has a customer assistance program: As of September 2014, 18,866 customers were enrolled; on average they had a 40 percent discount on their monthly water and wastewater bill.

The water conservation programs are “among the most robust in the country,” said Luke Metzger, who heads Environment Texas and who has served on city commissions overseeing resource use. He said the rebate programs rank behind the mandatory restrictions and a tilted rate structure that penalizes high water use in cutting back water use, but the rebates still contribute to water savings.

“They’re well worth the money we’re investing in them,” he said. “It’s often one of the cheapest ways to stretch water supplies out. Rather than paying for pipelines and reservoirs, we’re chipping in to pay for essentially new water supplies through savings — which leads to fewer costs for all of us since there’s less infrastructure need.”

“Even if it’s primarily wealthier people getting the rebates, everyone benefits,” he said.

Data reporter Wynne Davis contributed to this story. Contact Asher Price at 512-445-3643. Twitter: @asherprice

## The geography of rebates

The biggest takers in Austin’s conservation programs tend to be in some of the city’s wealthier neighborhoods.

## Rebates for your home

City utilities offer a range of rebates to help homeowners pay for energy and water conservation improvements.

## Rebate programs encourage conservation

Austin Energy has spent more than \$1 million on a half-dozen programs to help homeowners use electricity.

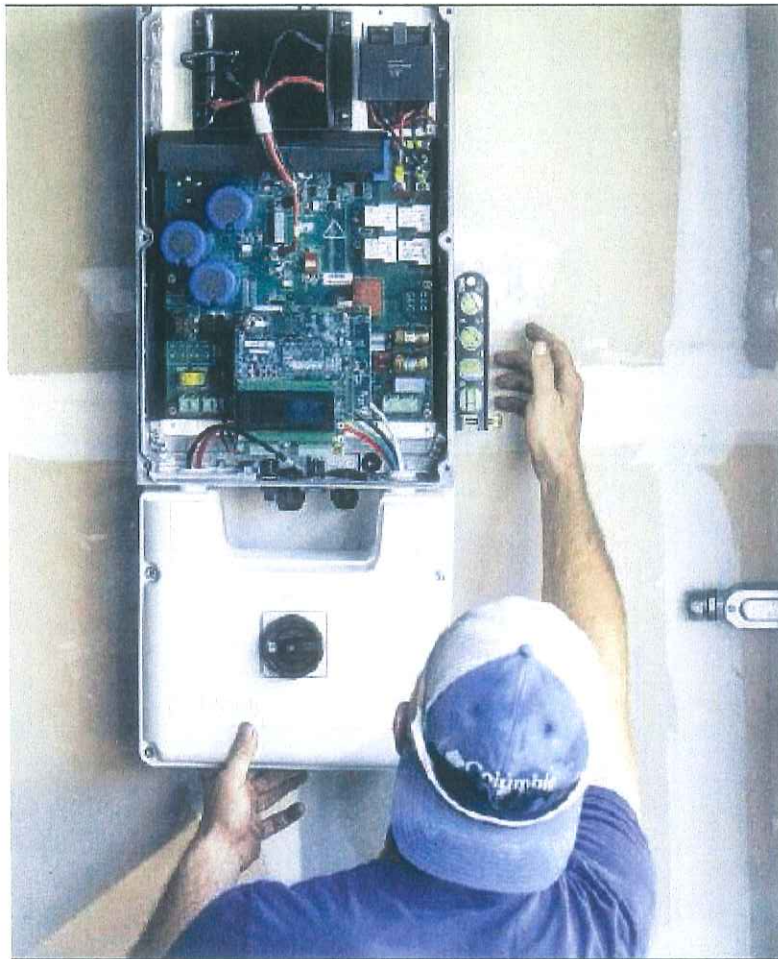
## DO YOU QUALIFY FOR A REBATE?

Austin Energy and Austin Water Utility provide rebates and loans to encourage building owners to make conservation-friendly upgrades.

You can learn more at [powersaver.austinenenergy.com](http://powersaver.austinenenergy.com) or by calling 512-482-5346. In one program, Austin Energy will pay \$50 for your old refrigerator or freezer. In another, you can earn an \$85 rebate for letting Austin Energy access and program your approved Internet-connected thermostat.

Austin Water Utility rebate information is available at [austintexas.gov/departments/water-conservation-rebates](http://austintexas.gov/departments/water-conservation-rebates). Under the Irrigation Upgrade Rebate, you can receive up to \$400 for making improvements in your system that lead to greater efficiency. Among other programs, the utility also offers free irrigation audits for homeowners with sprinkler systems at 512-974-2199.

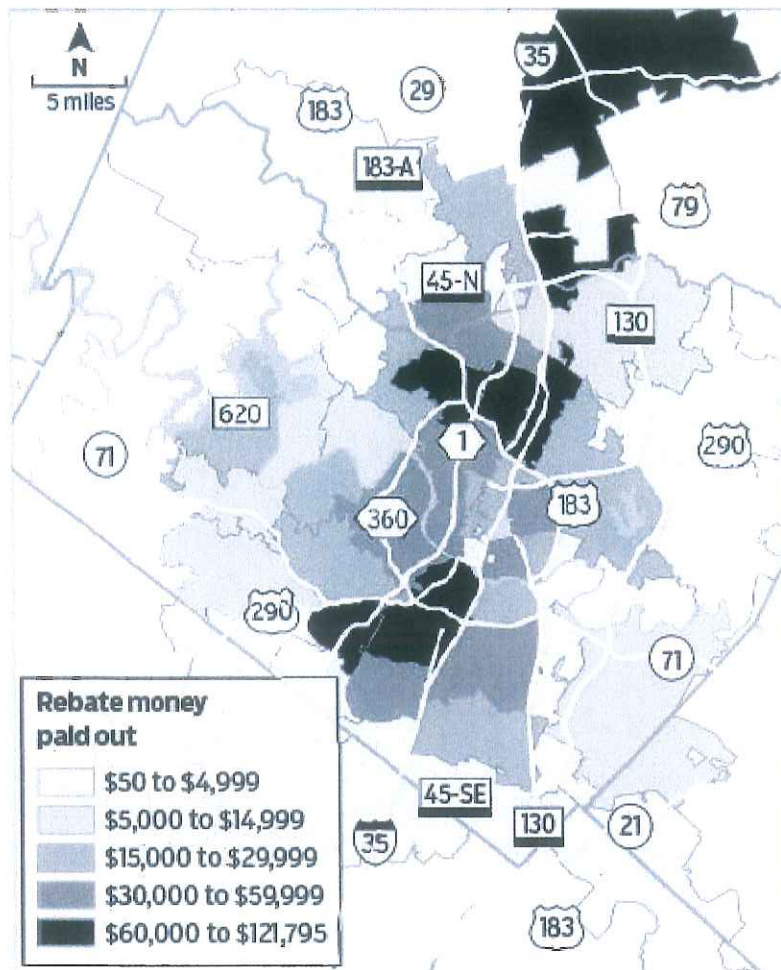




Lighthouse Solar worker Sam Richter installs an inverter box for a solar panel in a Mueller-area home. Wealthier residents are more likely to be able to afford the costs of adding solar panels. RICARDO B. BRAZZIELL / AMERICAN-STATESMAN

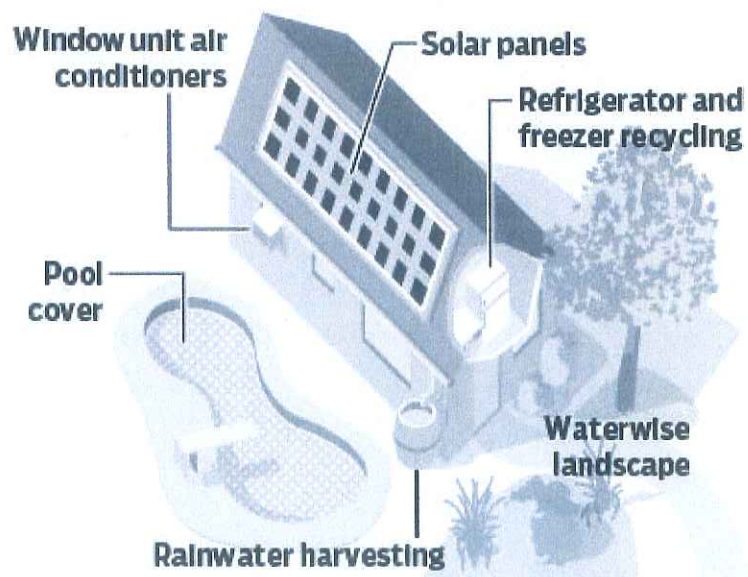


Lighthouse Solar workers Daniel Mendoza (from left), Jason Paquette and Zach Cooper install solar panels in the Mueller area in late October. A consumer advocate says Austin could do more to help utility users who have more limited means. RICARDO B. BRAZZIELL / AMERICAN-STATESMAN



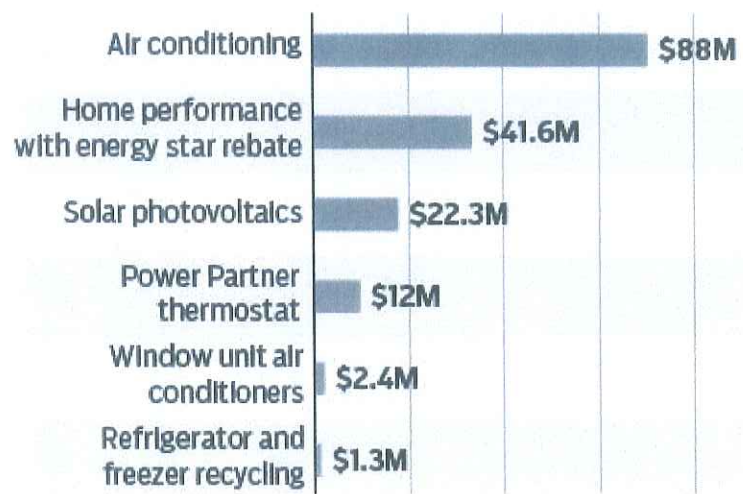
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