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November 17, 2014

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2014 NOV 18 P 3: 03

Chairman Bob Stump
Commissioner Gary Pierce
Commissioner Brenda Burns
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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

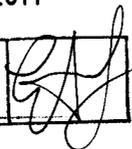
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007-2996

Arizona Corporation Commission
DOCKETED

ORIGINAL

NOV 18 2014

Re: **Docket No. E-00000XX-13-0214**

DOCKETED BY 

Chairman Stump and Commissioners,

Thank you for the opportunity to comment on this topic. Weatherization and Energy Efficiency are extremely important programs to our community, and we appreciate the chance to inform you of the benefits we've realized from them.

The need in our community for assistance programs, such as weatherization, is substantial. More than 58,000 households in Mesa are eligible for weatherization.¹ While the Great Recession has ended, the economy is not yet back to where it was before the crisis. Although the ratio of job-seekers to available jobs has decreased from its peak in 2010, half the people who are willing and able to work are unable to find employment.² Locally, 1 in 4 children in Arizona are in poverty, with even higher rates in Maricopa and Pima counties.³ The childhood poverty rate in Mesa is 20.5%.⁴

The energy burden of the population we serve is significant. Energy burden, or the income spent on utilities as a percentage of total income, is much larger for low-income populations than for the population at large. Generally, an energy burden of 6% is considered affordable,⁵ limited-income communities in Arizona have an energy burden of 17%.⁶ The extreme energy burden results in critical trade-offs made in family budgets: children in poverty who don't receive energy assistance experience a

¹ 2008-2012 American Community Survey 5-Year Estimates

² Gould, Elisa. "Job Seekers Outnumber Jobs by 2-to-1." October 7, 2014. Available Online:

<http://www.epi.org/blog/job-seekers-outnumber-jobs-2-1/>

³ Department of Economic Security: 2012 Annual Report. https://www.azdes.gov/InternetFiles/Reports/pdf/des_annual_report_2012.pdf

⁴ CHILDREN CHARACTERISTICS, 2008-2012 American Community Survey 5-Year Estimates

⁵ "Finding Data to Frame and Document a Low-Income Home Energy 'Needs Analysis.'" FSC'S LAW & ECONOMICS INSIGHTS. Available Online:

http://www.fsconline.com/downloads/FSC%20Newsletter/news2006/n2006_0102.pdf

⁶ Arizona 2012 Home Energy Affordability Gap, http://www.homeenergyaffordabilitygap.com/03a_affordabilityData.html

significant decrease in nutrition,⁷ and rates of adults who need medical care or prescription medication but couldn't afford it have shot up in recent years and remain above pre-recession levels.⁸

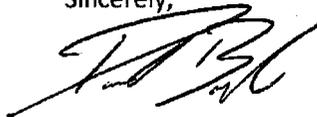
The CAP office for the City of Mesa provides Utility Repair and Replacement, utility payment assistance and Weatherization. With so much need, Weatherization has been a lifeline for our community. As you know, Weatherization entails improving a residence's building envelope, making the home energy efficient, repairing or replacing appliances and addressing health and safety issues. This program is able to cut utility bills by a third, saving hundreds of dollars annually and bringing down energy burdens to a manageable level.⁹

Thousands of homes have been weatherized in Arizona in the past few years,¹⁰ with hundreds in Mesa alone. These improvements couldn't be realized without the coordination of federal and utility weatherization programs, with a third of all weatherization funding from ratepayer-funded programs.¹¹ If weatherization or the Standards that provide it are altered, revised, or revoked every two years, it will be a severe hindrance to our ability to continue to provide this valuable program.

The Energy Efficiency Standard has kept utility bills lower for all ratepayers, and it's provided funding for weatherization, improving the lives of thousands of low-income Arizonans. Utility markets are volatile, significant and sometimes immediate reactions occur due to the slightest changes in fundamentals that raise prices for ratepayers. Changing the current Energy Efficiency Standard to an unenforceable goal could negatively impact all ratepayers by increasing utility costs and decreasing funding to valuable programs.

Please protect and maintain this valuable and effective standard.

Sincerely,



Daniel Boyle
A New Leaf, Inc.
Project Manager

⁷ Franks, Deborah A. et al. "Heat or Eat: The Low Income Home Energy Assistance Program and Nutritional and Health Risks Among Children Less Than 3 Years of Age" Pediatrics Vol. 118 No. 5 November 1, 2006 pp. e1293 -e1302 (doi: 10.1542/peds.2005-2943)

⁸ Stanford Center on Poverty and Inequality, using data from the National Health Interview Survey

⁹ "Weatherized Homes Saving Money for Families Across the U.S." January 6, 2012. Available Online: <http://energy.gov/articles/weatherized-homes-saving-money-families-across-us>

¹⁰ "ARRA Homes Weatherized by Grantee." Available Online: <http://energy.gov/downloads/arra-homes-weatherized-grantee>, DSM Reports filed with the Arizona Corporation Commission (E-00000U-14-0049, E-00000U-13-0031, E-00000U-12-0068)

¹¹ "Funding for the WAP Network in 2013 Totaling \$959 Million." Economic Opportunity Studies. Available Online: <http://www.opportunitystudies.org/2014/06/11/june-9-2014-newsletter/>