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November 18, 2014

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ARIZONA CORPORATION COMMISSION
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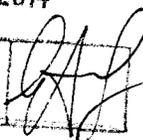
ORIGINAL

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

Arizona Corporation Commission
DOCKETED

NOV 19 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 I 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 9,000 households in Gila County 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. The childhood poverty rate in Gila County is 32.9%, above the state average.³

The average family who seeks assistance through GILA (General Interim Living Assistance) House is not a poverty stricken family, they are normally middle to low income families who have become homeless due to an unexpected situation, such as a fire, etc. Most families that we have assisted were not prepared financially for such an emergency situation. The lack of resources is common to this area due to the high unemployment rate and lack of jobs that pay living wages.

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;⁴ limited-income communities in Arizona have an energy burden of 17%. For a family at the poverty line in Gila County,

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 Children Characteristics, 2008-2012 American Community Survey 5-Year Estimates

⁴ "Finding Data to Frame and Document a Low-Income Home Energy Needs Analysis." FSC'S LAW & ECONOMICS INSIGHTS. Available Online:

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

19% of their income goes to cover their utility bills.⁵ These extreme energy burdens result in critical trade-offs made in family budgets: children in poverty who don't receive energy assistance experience a significant decrease in nutrition,⁶ 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.⁷

Families will go without medical attention, clothing, and food in order to have a shelter for themselves and their children. Most will remain homeless until they can get enough money together to pay for a rental property. Homeowners and/or renters insurance is not a common purchase, as these families budgets are stretched to the breaking point just providing the basic necessities for themselves. When they are faced with a crisis/emergency situation, they do not have insurance to help cover costs associated with food, clothing and shelter.

With so much need, weatherization has been a lifeline for our communities. As you know, weatherization entails improving a residence's building envelope, making the home energy efficient, repairing or replacing appliances, 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.⁸

Thousands of homes have been weatherized in Arizona in the past few years,⁹ with hundreds in Gila county 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.¹⁰ 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. GILA House is a successful, volunteer based, 501.c.3 non-profit subunit of Signal Peak Community Foundation and has been serving the Southern Gila County area since January 1, 2010. Our mission is to provide General Interim Living Assistance (GILA) to families who have suffered a life altering event that potentially could result in homelessness. Our vision is to become a full service, multi-family interim living assistance facility by 2015, providing both short term emergency housing (up to 120 days) and longer term transitional housing (up to 2 years) with full time and volunteer staff.

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. Please protect and maintain this valuable and effective standard.

Sincerely,



⁵ Arizona 2012 Home Energy Affordability Gap, http://www.homeenergyaffordabilitygap.com/03a_affordabilityData.html

⁶ 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)

⁷ Stanford Center on Poverty and Inequality, using data from the National Health Interview Survey

⁸ "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>

⁹ "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]

¹⁰ "Funding for the WAP Network in 2013 Totalling \$959 Million." *Economic Opportunity Studies*. Available Online: <http://www.opportunitystudies.org/2014/06/11/june-9-2014-newsletter/>

Malissa Buzan

GILA House

President