

Low Income/High Energy Burden Program Update

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Informational only, no decision required



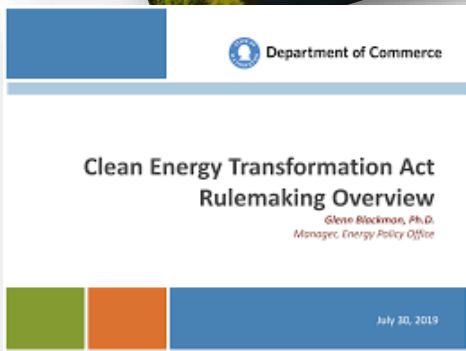
Why We Are Here

- To provide an update on Low Income/High Energy Burden program design
- Feedback is always appreciated



Program Purpose

- Support Strategic Plan: Reduce impact of rate increases on customers with low incomes
- Achieve compliance with Clean Energy Transformation Act (CETA): Meet 60% of current unmet need (est. \$665,000 annually) by 2030
- Reduce energy insecurity, minimize shut-offs, and “heat or eat” situations



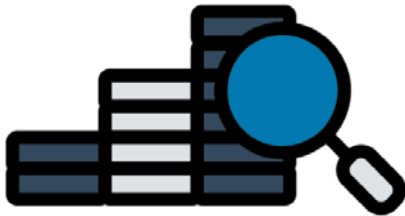
Draft Guiding Principles



Reduce electric bill for energy burdened customers



Ensure equitable distribution of funds across Chelan PUD communities

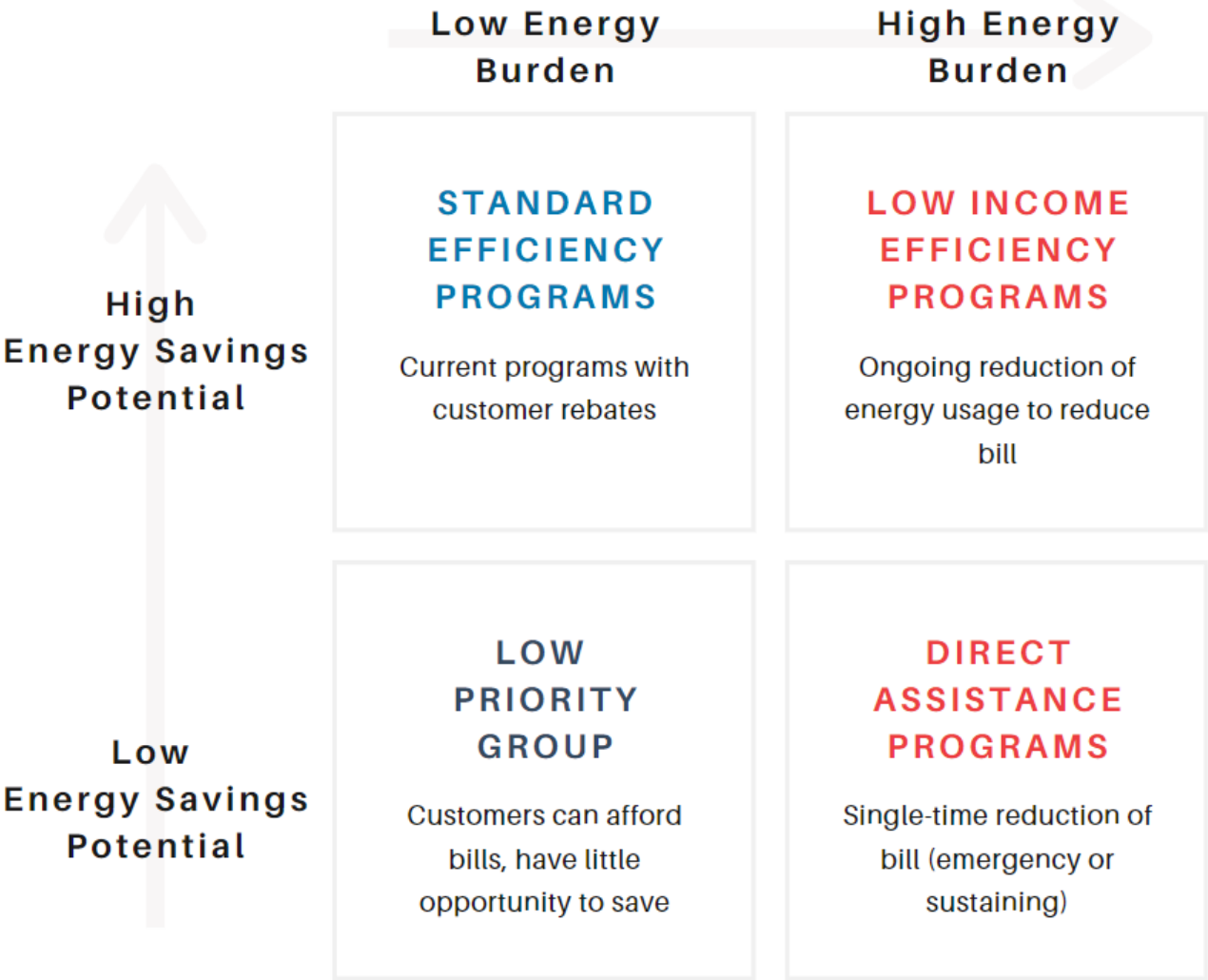


Choose the most cost-effective manner for reducing bills

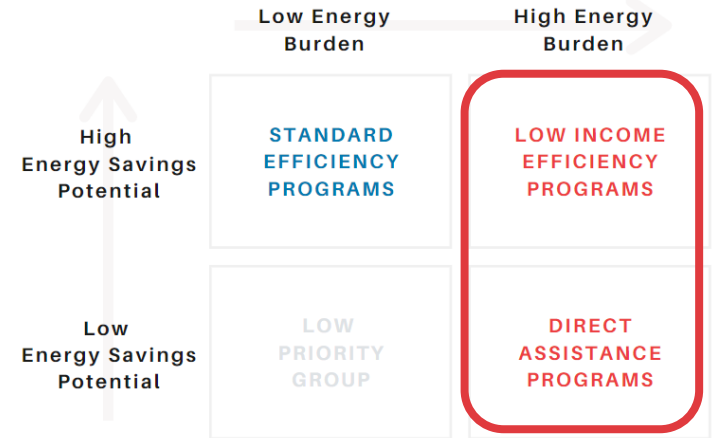
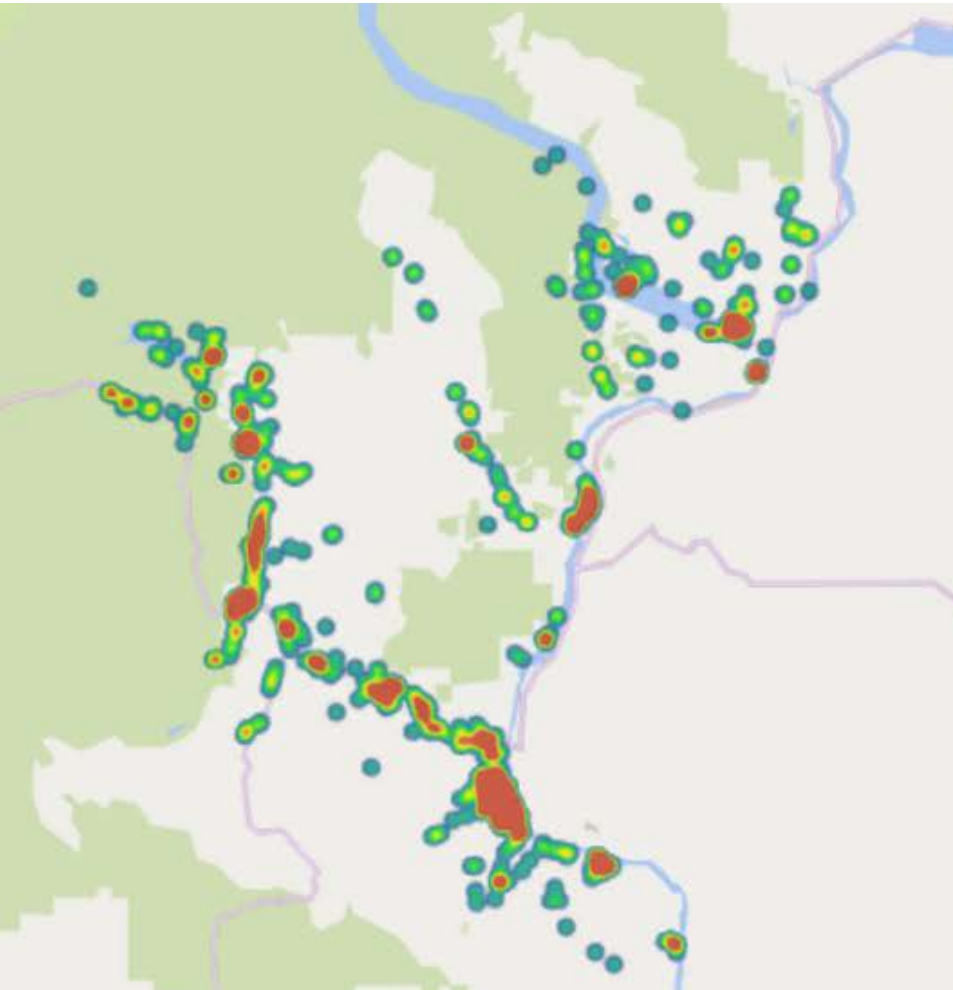


Engage with community organizations as appropriate

Target Market



Target Market



about **2,100** households have energy burdens of 6% and greater across Chelan County

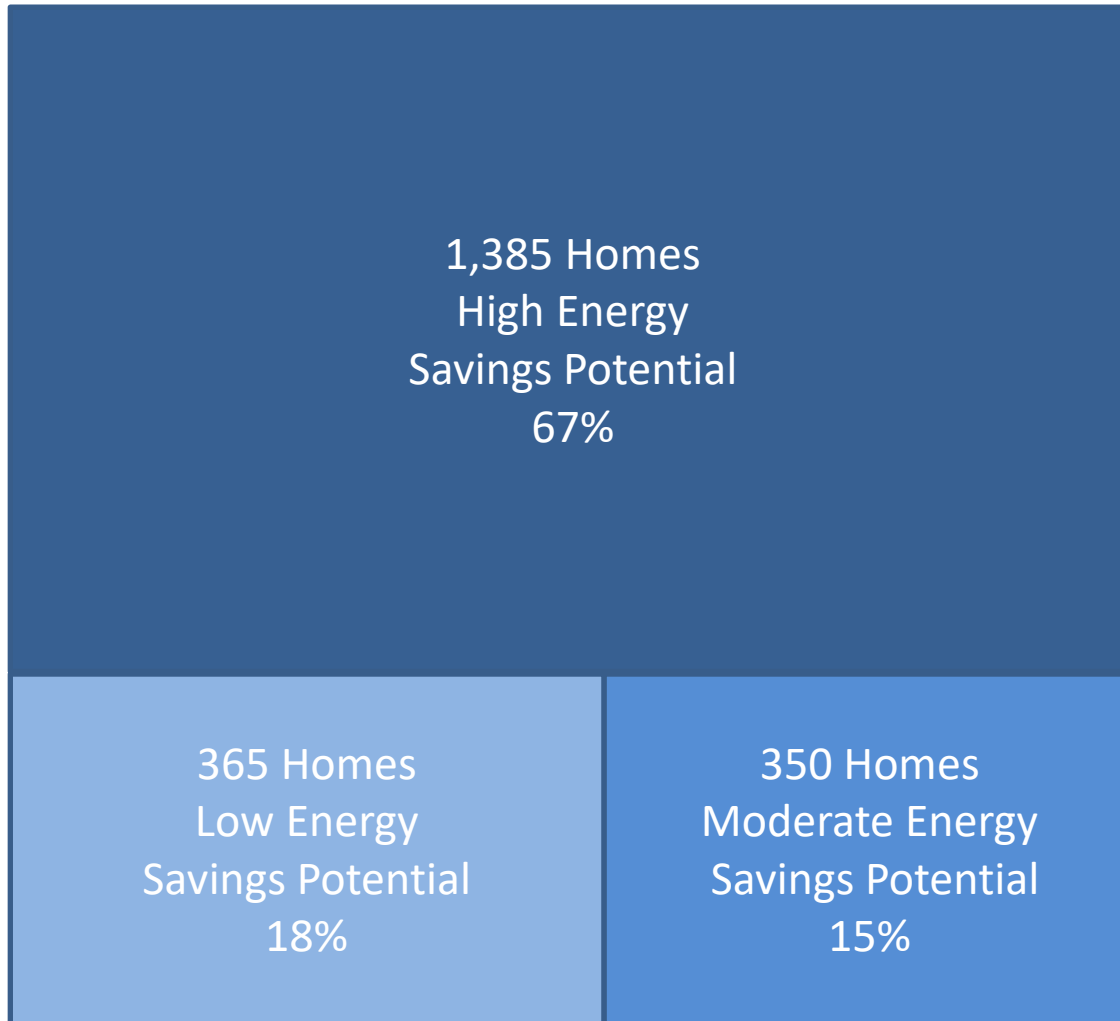
About 125 burdened households received support current efforts

$$\text{Energy Burden} = \frac{\text{Energy Bill}}{\text{Household Income}}$$

Additional Insights

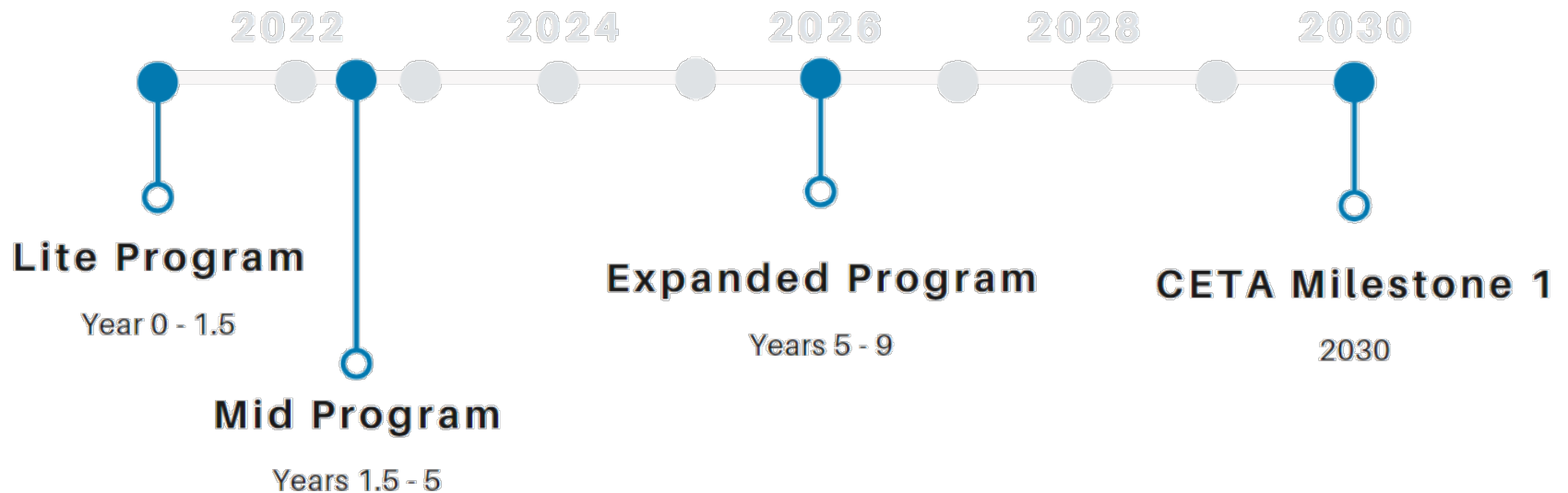
- Compared with unburdened homes, energy burdened homes use about:
 - 2.5 to 4 times more energy on baseloads
 - 2.5 to 3.5 times more energy on heating
 - 1.5 to 2.5 times more energy on cooling
- Tenancy:
 - Over two-thirds of energy burdened households are estimated to be rentals
 - An estimated half are rented units appraised under \$100k

Number of Households by Savings Potential



High Burden, High Savings Potential

Customers in the upper right quadrant are suitable for energy efficiency and conservation measures



High Burden, Low Savings Potential

Customers that fall in the lower right quadrant are more suitable for programs that provide a direct bill reduction

- Continue with Helping Hands for emergency assistance
- Continue with bill discounts for seniors and people with disabilities designated low income
- Assess a direct bill reduction program targeted at high energy burdened customers



Next Steps

- Initiate 1st phase in 2021, the Lite Program is in our 2021 budget
- Assess options for direct bill assistance for high energy burden customers where it makes sense:
 - Address those with the greatest need while,
 - Keeping administrative costs as low as possible
- Meet with community action agencies to determine how we can work together to meet needs in the most cost-effective manner possible