

Weatherization in the State of Texas

*A Report to Meet the Requirements of Rider 14 of H.B. 1,
88th Legislature
Calendar Year 2022*

Prepared by the
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, TX 78711-3941
Phone: (512) 475-3951
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INTRODUCTION

The 88th Texas Legislature included Rider 14 as part of the General Appropriations. Rider 14 charges the Texas Department of Housing and Community Affairs (TDHCA or the Department) with the responsibility to report on weatherization efforts for the State of Texas. Rider 14 states:

“Reporting on Weatherization Efforts. As part of its efforts to help low-income Texans eligible for weatherization to conserve energy and lower bills, Texas Department of Housing and Community Affairs (TDHCA) shall use funds appropriated above to coordinate with investor-owned utilities, from which TDHCA receives funds, and that offer energy efficiency programs for Texans meeting low-income eligibility criteria to make sure the monies available for low-income energy efficiency programs spent both through the agency and through utility programs are effectively and adequately spent. The TDHCA shall use funds appropriated above to produce an annual report with information about the number of low-income household benefiting from energy efficiency monies through state, federal and utility-funded programs, the total amount of federal, utility and state funds expended on the programs, the average amount spent per unit weatherized in each program, as well as the peak electricity demand reduction, the amount overall electric energy saved, the amount of money saved and the number of job and job years created. A copy of the annual report shall be delivered to the Lieutenant Governor, Speaker and Governor, as well as made available on TDHCA’s website by March 15th of 2024 and March 15th of 2025.”

In 1991, the 72nd Texas Legislature created TDHCA, giving it the programs from the former Department of Community Affairs, one of which was the Weatherization Assistance Program (WAP) funded by the U.S. Department of Energy (DOE). In 1992, the Low Income Home Energy Assistance Program (LIHEAP) was transferred from the Texas Department of Human Services to TDHCA. LIHEAP funds added to the existing WAP funds administered by TDHCA. For nearly 30 years, TDHCA has been conducting weatherization for low-income households throughout the State of Texas.

The benefits of weatherization have been under study for many years. A report from Oak Ridge National Laboratory, a contracted independent laboratory for the DOE, found that weatherization generated benefits for ratepayers, households, and society as a whole. The *Weatherization Works – Summary of Findings from the Retrospective Evaluation of the U.S. Department of Energy’s Weatherization Assistance Program* report published in 2014 found that low-income households that received weatherization benefited from improved affordability of their place of residence by reduced utility costs and benefited from safety and health improvements, including fewer fires and fewer illnesses. In addition, the Oak Ridge report found that weatherization typically lowered costs for utility companies as a result of the reduced rate of nonpayment and costs associated with collections for nonpayment and fewer needs for service provision, such as emergency service calls. These savings to utility companies tend to be passed on to ratepayers. Finally, weatherization creates societal benefits such as reduced emissions because of reduced energy usage and reduced unemployment as a result of the weatherization program.¹

This report describes the efforts and estimates the effects of the State of Texas’ weatherization program and similar programs offered by the utility companies in 2020 that provide weatherization services, as stipulated by Texas Utilities Code §39.905. The Department does not regulate these utility companies; information is based

¹ [Weatherization Works - Summary of Findings from the Retrospective Evaluation of the U.S. Department of Energy’s Weatherization Assistance Program, September 2014. Publication no. ORNL/TM-2014-338. <https://www.energy.gov/sites/prod/files/2015/09/f26/weatherization-works-retrospective-evaluation.pdf>.](https://www.energy.gov/sites/prod/files/2015/09/f26/weatherization-works-retrospective-evaluation.pdf)

on what utility companies filed with the Public Utility Commission of Texas (PUCT). Estimates on cost savings were compiled based on these filings.

SECTION I: TYPES OF WEATHERIZATION PROGRAMS

State Weatherization Programs

There are no state-funded residential weatherization programs in Texas applicable to this reporting requirement.

Federally-funded Weatherization Programs

The Texas Department of Housing and Community Affairs (TDHCA) administers a residential Weatherization Assistance Program (WAP) which is funded by the U.S. Department of Energy (DOE) and by the U.S. Health and Human Services (USHHS) through its Low Income Home Energy Assistance Program (LIHEAP). These federally funded programs are administered through TDHCA's Community Affairs Division.

TDHCA administers WAP through a network of Subrecipients. WAP allocates funding to serve all 254 counties to help households control energy costs through the installation of weatherization measures and energy conservation education. The Subrecipients consist of Community Action Agencies (CAAs), nonprofit entities, and units of local government.

The DOE WAP and LIHEAP WAP Program Year (PY) runs from January to December. During PY 2022, the targeted beneficiaries of DOE WAP in Texas were households with an income at or below 200 percent of Federal Poverty Guidelines with priority given to the elderly; persons with disabilities; families with young children; households with the highest energy costs or needs in relation to income (highest home energy burden); and households with high energy consumption. Household income eligibility was 150 percent of the Federal Poverty Guidelines for LIHEAP WAP and has the same priority populations as DOE WAP.

The summary information regarding the performance of the WAP network is as of the date indicated. It reflects performance of the network as a whole. Although not specifically identified in that high level data, it is noted that from time to time one or more members of that network might have encountered compliance issues, failed to expend funds fully, relinquished their program, or have had one or more contracts terminated. The Department monitors all WAP providers to ensure compliant usage of these resources.

Utility-Funded Low-Income Energy Efficiency Programs

The 79th Texas Legislature passed SB 712 requiring unbundled transmission and distribution utilities (TDUs) to provide funds for a targeted low-income energy efficiency program as described under Texas Utilities Code §39.905, if funding for such programs is not provided through the System Benefit Fund.² TDUs may contract with nonprofit or for-profit energy efficiency service providers to administer these

² Texas Utilities Code §39.201 established a System Benefit Fund (SBF) to be funded by utilities at a rate determined by the PUCT. The SBF can be used, according to §39.903, to fund programs to assist low-income electric customers. The SBF is not active. Historical SBF balances were eliminated as required under House Bill (HB) 7, 83rd Legislature, Regular Session and HB 1101, 84th Legislature, Regular Session.

programs. As required by statute, these targeted programs are to be coordinated with TDHCA's existing weatherization programs and therefore are included in the Rider 14 report.

For the purposes of this report, only the utility-funded weatherization programs provided to low-income customers will be included. These low-income customers are usually served under the category called "hard-to-reach programs." A list of the weatherization hard-to-reach programs is in Appendix A, taken from the energy efficiency plans and reports filed in 2023 with the PUCT.

The five utilities that provided funding under Texas Utilities Code §39.905 requirements are as follows:

1. CenterPoint Energy Houston Electric, LLC
2. El Paso Electric Company
3. Oncor Electric Delivery Company LLC
4. Southwestern Electric Power Company
5. Southwestern Public Service Company

SECTION II: Service Areas and Eligibility

Federally Funded Weatherization

The most complete data available for this report is for calendar year (CY) 2022 (January 1, 2022 to December 31, 2022). See table below.

Table 1: Service Areas of TDHCA WAP Subrecipient Contractors, CY 2022

TDHCA WAP Contractor	WAP Counties Served
Alamo Area Council of Governments	Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson
Baker Ripley	Harris
Brazos Valley Community Action Agency, Inc.	Brazos, Burleson, Grimes, Leon, Madison, Montgomery, Robertson, Walker, Waller, Washington
City of Fort Worth	Tarrant
Combined Community Action, Inc.	Austin, Bastrop, Blanco, Caldwell, Colorado, Fayette, Fort Bend, Hays, Lee
Community Action Committee of Victoria, Texas	Aransas, Bee, Brazoria, Calhoun, DeWitt, Goliad, Gonzales, Jackson, Lavaca, Live Oak, Matagorda, McMullen, Refugio, Victoria, Wharton
Community Action Corporation of South Texas	Brooks, Cameron, Duval, Hidalgo, Jim Hogg, Jim Wells, Kenedy, Kleberg, San Patricio, Starr, Webb, Willacy, Zapata
Community Council of South Central Texas, Inc.	Brewster, Crane, Culberson, Dimmit, Edwards, Hudspeth, Jeff Davis, Kinney, LaSalle, Maverick, Pecos, Presidio, Real, Terrell, Uvalde, Val Verde, Zavala
Concho Valley Community Action Agency	Coke, Coleman, Concho, Crockett, Irion, Kimble, McCulloch, Menard, Reagan, Runnels, Schleicher, Sterling, Sutton, Tom Green
Dallas County Department of Health and Human Services	Dallas
Economic Opportunities Advancement Corporation of PR XI	Bosque, Ellis, Falls, Freestone, Hill, Johnson, Limestone, McLennan, Navarro
El Paso Community Action Program, Project Bravo, Inc.	El Paso

TDHCA WAP Contractor	WAP Counties Served
Greater East Texas Community Action Program (GETCAP)	Anderson, Angelina, Chambers, Cherokee, Galveston, Gregg, Hardin, Harrison, Henderson, Houston, Jasper, Jefferson, Kaufman, Liberty, Nacogdoches, Newton, Orange, Panola, Polk, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Trinity, Tyler, Upshur, Van Zandt, Wood
Hill Country Community Action Association, Inc.	Bell, Burnet, Coryell, Erath, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba, Somervell, Williamson
Nueces County Community Action Agency	Nueces
Panhandle Community Services	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler
Rolling Plains Management Corporation	Archer, Baylor, Brown, Callahan, Clay, Comanche, Cottle, Eastland, Foard, Hardeman, Haskell, Hood, Jack, Jones, Kent, Knox, Montague, Palo Pinto, Parker, Shackelford, Stephens, Stonewall, Taylor, Throckmorton, Wichita, Wilbarger, Wise, Young
South Plains Community Action Association, Inc.	Bailey, Cochran, Crosby, Dickens, Floyd, Garza, Hale, Hockley, King, Lamb, Lubbock, Lynn, Motley, Terry, Yoakum
Texoma Council of Governments	Bowie, Camp, Cass, Collin, Cooke, Delta, Denton, Fannin, Franklin, Grayson, Hopkins, Hunt, Lamar, Marion, Morris, Rains, Red River, Rockwall, Titus
Travis County	Travis
West Texas Opportunities, Inc.	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Loving, Martin, Midland, Mitchell, Nolan, Reeves, Scurry, Upton, Ward, Winkler

Data for federal programs included in this report is from TDHCA’s WAP. See the chart below for program specific eligibility guidelines. Each dwelling unit weatherized will count as a “household.”

Table 2: TDHCA WAP Eligibility Guidelines

Program	CY 2022
DOE WAP	200%
LIHEAP WAP	150%

Utility-Funded Weatherization

Data for the utilities that participate in Texas Utilities Code §39.905 are compiled from energy efficiency plans and reports filed with the PUCT in 2023 for 2022 data. The following table shows the utilities and their hard-to-reach service areas.

Table 3: Hard-to-reach/Low-Income Weatherization Service Areas of Utilities Participating in Texas Utilities Code §39.905 in CY 2022

Utility	Counties Served
CenterPoint Energy	Bowie, Galveston, Harris,
El Paso Electric Company	El Paso
Oncor Electric Delivery Company	Anderson, Andrews, Bell, Brown, Clay, Collin, Cooke, Coryell, Dallas, Dawson, Denton, Ector, Ellis, Fannin, Grayson, Henderson, Hill, Hopkins, Howard, Hunt, Johnson, Kaufman, Lamar, Lampasas, McLennan, Midland, Nacogdoches, Navarro, Parker, Rockwall, Rusk, Scurry, Smith, Tarrant, Van Zandt, Wichita, Williamson
Southwestern Electric Power Company	Bowie, Camp, Cass, Franklin, Gregg, Harrison, Morris, Panola, Rusk, Smith, Titus, Upshur, Van Zandt
Southwestern Public Service Company	Bailey, Deaf Smith, Gaines, Gray, Hale, Hockley, Hutchinson, Lamb, Lubbock, Ochiltrie, Potter, Randall, Yoakum

Note: Table 3 only lists counties in which the utility served a customer using participating hard-to-reach weatherization programs.

A customer participating in hard-to-reach weatherization programs offered by the utility will count as a “household.” The hard-to-reach designation denotes customers who are in the 200 percent Federal Poverty Guidelines income category and below. See table below for household income eligibility.

Table 4: Household Income Eligibility of Utilities Participating in Texas Utilities Code §39.905, CY 2021

Utility	Program	% of Federal Poverty Guidelines for Household Eligibility
CenterPoint Energy	Hard-To-Reach Standard Offer Program	200%
CenterPoint Energy	Targeted Low-income Market Transformation Program	200%
CenterPoint Energy	Multi-Family Market Transformation Program (MTP)*	200%
El Paso Electric Company	Hard-to-Reach Solutions	200%
Oncor Electric Delivery	Hard-to-Reach Standard Offer Program	200%
Oncor Electric Delivery	Targeted Weatherization Low-Income Standard Offer Program	200%
Southwestern Electric Power Company	Hard To Reach Standard Offer Program	200%
Southwestern Public Service	Hard-To-Reach Standard Offer Program	200%
Southwestern Public Service	Low-Income Weatherization	200%

*The Multi-Family MTP is targeted at both the residential market and the hard-to-reach market.

SECTION III: LOW-INCOME HOUSEHOLDS

Federally-Funded Weatherization

In 2022, 2,449 low-income households benefited from weatherization to their dwelling unit through TDHCA’s WAP program which includes DOE WAP and LIHEAP WAP. The distribution of low-income households served in CY 2022 among the WAP subrecipient contractors can be seen in the following table; some households may have received assistance from both programs.

Table 5: Dwellings Weatherized through TDHCA’s WAP in CY 2022

Entity	DOE Total	LIHEAP Total
Alamo Area Council of Governments	31	143
Baker Ripley	72	216
Brazos Valley Community Action Agency, Inc.	4	25
City of Fort Worth	28	130
Combined Community Action, Inc.	15	29
Community Action Committee of Victoria, Texas	8	59
Community Action Corporation of South Texas	66	227
Community Council of South Central Texas, Inc.	13	49
Concho Valley Community Action Agency	13	29
Dallas County Department of Health and Human Services	53	241
Economic Opportunities Advancement Corporation of PR XI	5	45
El Paso Community Action Program, Project Bravo, Inc.	32	78
Greater East Texas Community Action Program (GETCAP)	69	228
Hill Country Community Action Association, Inc.	22	54
Nueces County Community Action Agency	16	41
Panhandle Community Services	11	31
Rolling Plains Management Corporation	23	85
South Plains Community Action Association, Inc.	8	20
Texoma Council of Governments	22	103

Entity	DOE Total	LIHEAP Total
Travis County	9	66
West Texas Opportunities, Inc.	7	23
TOTAL	527	1,922

In 2022, the vast majority of the Department’s WAP program funding was derived from LIHEAP WAP. The total amount of funds expended by the TDHCA WAP program for this period was \$25,404,722.81. The distribution of the program funds expended by program can be seen in the following table.

Table 6: Total Program Funds Expended by TDHCA’s WAP in CY 2022

TDHCA WAP Program	Program Funds Expended in CY 2022	Funds Expended per Weatherized Unit
DOE WAP	\$6,059,461.18	\$11,498.03
LIHEAP WAP	\$19,345,261.63	\$10,065.17

Utility-Funded Weatherization

In 2021, 22,160 low-income households participating in hard-to-reach programs benefited from energy efficiency monies through utilities. The total amount of funds expended by the programs during CY 2021 was \$25,978,106, compared to \$18,744,932 in 2022. TDHCA is only reporting figures filed by organizations to the Public Utilities Commission and does not verify the accuracy of these values.

Table 7: Customers Served by Utilities Participating in Texas Utilities Code §39.905, CY 2022, Total Program Funds Expended by Utilities and Average Amount Expended per Unit

Utility	Program	Participating Hard-to-Reach Customers	Total Program Funds Expended	Average Amount Expended per Unit
Centerpoint Energy Houston Electric , LLC	Hard-To-Reach SOP	106	\$187,467	\$1,768.56
Centerpoint Energy Houston Electric , LLC	Multifamily MTP HTR	4,182	\$575,618	\$137.64
Centerpoint Energy Houston Electric , LLC	Targeted Low-Income MTP (Agencies in Action)	2,109	\$4,320,832	\$2,048.76
El Paso Electric Company	Hard-To-Reach Solutions MTP	398	\$537,319	\$1,350.05
Oncor Electric Delivery Company LLC	Hard-To-Reach SOP	11,785	\$6,504,572	\$551.94
Oncor Electric Delivery Company LLC	Targeted Low-Income SOP	1,007	\$4,751,170	\$4,718.14

Southwestern Electric Power Company	Hard-To-Reach SOP	705	\$652,617	\$925.70
Southwestern Public Service Company	Hard-To-Reach SOP	1,665	\$768,232	\$461.40
Southwestern Public Service Company	Low-Income Weatherization	203	\$447,105	\$2,202.49
Total		22,160	\$18,744,932	\$845.89

SECTION IV: ENERGY SAVED

Federally-Funded Weatherization

According to the DOE, the average annual energy saved is 29.3 MBTUs (million British thermal unit) per dwelling unit weatherized. TDHCA used the applicable conversion rate of 293.1 to convert the MBTUs to kilowatt-hours. For an estimate of energy saved, TDHCA used the following formula:

$$[\text{Total Units}] \times 29.3 \times 293.1$$

Energy savings were calculated by multiplying the number of dwelling units weatherized by the DOE algorithm for average annual energy saved through weatherization per dwelling.³

To calculate money saved, TDHCA multiplied the total kilowatt-hours saved by the DOE average retail residential electric rate per kilowatt-hour, which is \$0.1501 per kWh for Texas in 2022.⁴ TDHCA used the following formula:

$$[\text{Energy Saved}] \times [\text{average electric rate price (per kWh)}].$$

Table 8: Estimated Energy Saved through TDHCA's WAP, CY 2022

Entity	Total Units	Energy Saved (kWhs)	Money Saved (\$)
Alamo Area Council of Governments	174	1,494,282.42	\$ 224,291.79
Baker Ripley	288	2,473,295.04	\$ 371,241.59
Brazos Valley Community Action Agency, Inc.	29	249,047.07	\$ 37,381.97
City of Fort Worth	158	1,356,877.14	\$ 203,667.26
Combined Community Action, Inc.	44	377,864.52	\$ 56,717.46

³ This calculation is taken from "Weatherization Works- Summary of Findings from the Retrospective Evaluation of the U.S. Department of Energy's Weatherization Assistance Program" prepared by Oak Ridge National Laboratory. Document Number: ORNL/TM-2014/338, page 12. <<https://www.energy.gov/sites/prod/files/2015/09/f26/weatherization-works-retrospective-evaluation.pdf>>.

⁴ This rate is available at https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_6_a.

Entity	Total Units	Energy Saved (kWhs)	Money Saved (\$)
Community Action Committee of Victoria, Texas	67	575,384.61	\$ 86,365.23
Community Action Corporation of South Texas	293	2,516,234.19	\$ 377,686.75
Community Council of South Central Texas, Inc.	62	532,445.46	\$ 79,920.06
Concho Valley Community Action Agency	42	360,688.86	\$ 54,139.40
Dallas County Department of Health and Human Services	294	2,524,822.02	\$ 378,975.79
Economic Opportunities Advancement Corporation of PR XI	50	429,391.50	\$ 64,451.66
El Paso Community Action Program, Project Bravo, Inc.	110	944,661.30	\$ 141,793.66
Greater East Texas Community Action Program (GETCAP)	297	2,550,585.51	\$ 382,842.89
Hill Country Community Action Association, Inc.	76	652,675.08	\$ 97,966.53
Nueces County Community Action Agency	57	489,506.31	\$ 73,474.90
Panhandle Community Services	42	360,688.86	\$ 54,139.40
Rolling Plains Management Corporation	108	927,485.64	\$ 139,215.59
South Plains Community Action Association, Inc.	28	240,459.24	\$ 36,092.93
Texoma Council of Governments	125	1,073,478.75	\$ 161,129.16
Travis County	75	644,087.25	\$ 96,677.50
West Texas Opportunities, Inc.	30	257,634.90	\$ 38,671.00
TOTAL	2,449	21,031,595.67	\$ 3,156,842.51

Utility-Funded Weatherization

In the 2022 energy efficiency plan and reports filed with the PUCT, each utility that participates in Texas Utilities Code §39.905 reports on kWh saved through their programs for 2021. The total amount saved was 58,318,373 kWh in 2021, compared to 42,587,233 kWh in 2022.

The total money saved for low-income households served through utility-funded weatherization was estimated to be \$7,453,088 in 2021, as compared to \$6,392,344 in 2022. The formula used to estimate the money saved for federally-funded programs is the same formula used to calculate the money saved for utility customers.

Table 9: Estimated Energy Savings and Customer Savings by Utilities Participating in Texas Utilities Code §39.905, CY 2022

Utility	Program	kWh Saved (Reported & Verified)	Energy Cost Saved (\$)
Centerpoint Energy Houston Electric, LLC	Hard-To-Reach SOP	274,181	\$41,154.57
Centerpoint Energy Houston Electric, LLC	Multifamily MTP HTR	1,287,456	\$193,247.19
Centerpoint Energy Houston Electric, LLC	Targeted Low-Income MTP (Agencies in Action)	7,840,263	\$1,176,823.45
El Paso Electric Company	Hard-To-Reach Solutions MTP	1,249,870	\$187,605.49
Oncor Electric Delivery Company LLC	Hard-To-Reach SOP	19,963,263	\$2,996,485.78

Oncor Electric Delivery Company LLC	Targeted Low-Income SOP	5,627,855	\$844,741.04
Southwestern Electric Power Company	Hard-To-Reach SOP	1,543,698	\$231,709.07
Southwestern Public Service Company	Hard-To-Reach SOP	3,757,797	\$564,045.33
Southwestern Public Service Company	Low-Income Weatherization	1,042,850	\$156,531.79
Total		42,587,233	\$6,392,343.69

In the 2022 energy efficiency plan and reports filed with the PUCT, each utility that participates in Texas Utilities Code §39.905 reports on overall peak electricity demand reduction for all energy efficiency programs offered by the utility. Peak electricity demand reduction indicates reduction in demand on the utility's system at the times of the utility's summer peak period or winter peak period. The following is the estimated peak demand savings for hard to reach programs.

Table 10: Estimated Peak Electricity Demand Reduction by Utilities Participating in Texas Utilities Code §39.905, CY 2021

Utility	Peak Demand Savings - Hard to Reach Programs* (MW)
CenterPoint Energy	5.18
El Paso Electric Company	0.89
Oncor Electric Delivery Company	18.08
Southwestern Electric Power Company	0.77
Southwestern Public Service Company	1.56
Total	26.49

* The savings figure includes the targeted low-income program (weatherization), if applicable, Multifamily MTP, and the hard-to-reach standard offer program (SOP).

SECTION V: JOBS AND JOB YEARS CREATED

Federally-Funded Weatherization

The data for job creation was collected during the ARRA (American Recovery and Reinvestment Act of 2009) funding period for federal reporting requirements; however, the data is no longer collected through federal reporting requirements.

APPENDIX A: HARD-TO-REACH WEATHERIZATION PROGRAMS

The following is a list of Hard-To-Reach Programs offered by the utility companies in Texas under Texas Utilities Code §39.905. The text is taken verbatim from each individual energy efficiency plan and report files, describing their weatherization activities.

Centerpoint Energy Houston Electric, LLC

Hard-To-Reach Standard Offer Program (HTR SOP)

Program Design

Incentives are paid to project sponsors for qualifying measures installed in retrofit applications which provide verifiable demand and energy savings to customers whose annual total household income is less than 200% of current federal poverty guidelines. Qualifying energy efficiency measures include but are not limited to; air conditioning, duct sealing, weatherization, ceiling insulation, water saving measures, and ENERGY STAR® windows.

Implementation Process

Any registered project sponsor may submit an application for a project meeting the minimum requirements. Program information is provided on CenterPoint Houston's website.

Outreach and Research Activities

- Maintains internet website with detailed project eligibility, end-use measures, incentive structure, procedures and application forms;
- Conducts workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process.

Multi-Family MTP

Program Design

The Multi-family HTR MTP encompasses three programs: Multifamily Water and Space Heating, Multi-family New Construction MTP, and Direct Install programs. Multi-family Space and Water Heating promotes the installation of energy efficient non-electric water heating in multi-family housing developments. Multi-family New Construction MTP incentivizes energy efficiency in new multi-family buildings. The Multi-family Direct Install Program offers property Owners and managers a free visual audit of existing units to see if the property is eligible for energy, efficient direct install measures, which may include CFLs and water saving measures and is only available to customers whose annual total household income is less than 200% of current federal poverty guidelines. If eligible, these measures will be installed at no cost and include an educational component.

Implementation Process

The Multi-family HTR and Multi-Family MTP programs are implemented by a 3rd party program implementer (Frontier Energy).

Outreach and Research Activities

- Contracts with a third-party program implementer to implement outreach and planning
- Provides point of purchase materials including yard signs, marketing kits, and brochures to participating developers and property managers

Targeted Low-Income MTP (Agencies in Action)

Program Design

The Targeted Low-Income MTP facilitates the installation of energy efficiency upgrades for low-income residential customers in single family or multi-family homes. Local non-profit organizations and energy service companies provide comprehensive, whole-house retrofits that maximize electricity savings to homes with an SIR greater than 1 by installing attic insulation, solar screens, lighting retrofits, water saving measures, ENERGY STAR® room air conditioners, central air conditioning systems, ENERGY STAR® refrigerators, duct efficiency improvement and air infiltration control for participants that have an annual household income of less than 200% of the federal poverty guidelines, and a maximum expenditure of \$7,541 is allowed per home.

Implementation Process

CenterPoint Houston contracts with a program implementer (Frontier Energy) that has the responsibility of recruiting and overseeing the participating agencies and ESCOs. A NEAT audit and the SIR score determine which projects are selected for renovation.

Outreach and Research Activities

- Partner with a 3rd party implementer
- Contact non-profit organizations for potential participation

El Paso Electric Company

Hard-to-Reach Solutions MTP

The Hard-to-Reach Solutions MTP offers incentives to low income residential customers for installing eligible energy efficiency measures. This program targets residential customers that are at or below 200% of the Federal Poverty Guidelines. Participating contractors offer the incentives based on the energy savings of the measure and deducts the amount from the customer's final invoice. This program also provides non-cash incentives which include technical assistance, education, and marketing materials. In addition to capturing demand and energy savings, the program's implementer helps participating customers improve their ability to identify and evaluate energy efficiency improvements. EPE plans to continue this program.

Oncor Electric Delivery Company LLC

Hard-to-Reach Standard Offer Program (HTR SOP)

The HTR SOP targets residences with household incomes at or below 200% of the federal poverty guidelines. This program is designed to achieve energy and demand savings with the installation of a wide range of energy-efficiency measures. Energy Efficiency Service Providers implement energy saving

projects in homes located in Oncor's service area. Incentives are paid to these Energy Efficiency Service Providers to help offset the cost of these energy efficiency measures. The most common measures, such as insulation and caulking/weather-stripping are installed at low or no cost to the customer. Energy Efficiency Service Providers must test for air leakage before and after installation when installing caulking/weather-stripping measures. Oncor provides the incentive directly to the Service Provider. Qualifying measures are similar to those described above for the HEE SOP, as well as water-saving devices. Also included is the replacement of existing HVAC units using early replacement in multifamily apartment complexes with high efficiency heat pumps. The same income qualifications (household incomes at or below 200% of current federal poverty level guidelines) apply to this new program option.

Targeted Weatherization Low-Income SOP

For the 2019 Program year, Oncor is implementing the Targeted Low-Income Weatherization Program to comply with the Public Utility Regulatory Act (PURA) §39.905(f) which states, "Unless funding is provided under §39.903, each unbundled transmission and distribution utility shall include in its energy efficiency plan a targeted low-income energy efficiency program as described by Section 39.903(f)(2), and the savings achieved by the program shall count toward the transmission and distribution utility's energy efficiency goal. The commission shall determine the appropriate level of funding to be allocated to both targeted and standard offer low-income energy efficiency programs in each unbundled transmission and distribution utility service area. The level of funding for low-income energy efficiency programs shall be provided from money approved by the commission for the transmission and distribution utility's energy efficiency programs. The commission shall ensure that annual expenditures for the targeted low-income energy efficiency programs of each unbundled transmission and distribution utility are not less than 10 percent of the transmission and distribution utility's energy efficiency budget for the year. A targeted low-income energy efficiency program must comply with the same audit requirements that apply to federal weatherization subrecipients." Section 39.903(f)(2) states that targeted energy efficiency programs are to be administered by the Texas Department of Housing and Community Affairs (TDHCA) in coordination with existing weatherization programs.

16 TAC §25.181(r) states, "Unless funding is provided under PURA §39.903, each unbundled transmission and distribution utility shall include in its energy efficiency plan a targeted low-income energy efficiency program as described by PURA §39.903(f)(2). A utility in an area in which customer choice is not offered may include in its energy efficiency plan a targeted low income energy efficiency program that utilizes the cost-effectiveness methodology provided in paragraph (2) of this subsection. Savings achieved by the program shall count toward the utility's energy efficiency goal.

- (1) Each utility shall ensure that annual expenditures for the targeted low-income energy efficiency program are not less than 10% of the utility's energy efficiency budget for the program year.
- (2) The utility's targeted low-income program shall incorporate a whole-house assessment that will evaluate all applicable energy efficiency measures for which there are commission approved deemed savings. The cost-effectiveness of measures eligible to be installed and the overall program shall be evaluated using the Savings-to-Investment (SIR) ratio.
- (3) Any funds that are not obligated after July of a program year may be made available for use in the hard-to-reach program."

Oncor is implementing a Program through Texas Association of Community Action Agencies (TACAA) who will provide funds to designated federal Weather Assistance Program (WAP) subrecipient agencies

enabling them to provide weatherization services to residential electric distribution customers of Oncor who have household incomes at or below 200% of current federal Poverty Level Guidelines.

TACAA will be entitled to compensation for materials, labor and program support used by the federally funded Subrecipient to install weatherization measures for up to \$6,500 per weatherized Dwelling Unit. TACAA may reimburse the federally funded Subrecipient for program support costs and up to 10% of the invoice amount for administration, which amounts are not part of the 8% program administration fee paid to TACAA. Federally funded Subrecipient program support costs shall be included in the calculation of the \$6,500 per Dwelling Unit cap, but shall not be included in calculating the Whole House SIR. Energy-efficient measures installed include aerators, attic insulation, air infiltration, central air conditioning units, central heat pumps, duct improvement, floor insulation, ENERGY STAR® refrigerators and ENERGY STAR® windows, showerheads, solar screens, window air conditioning units, wall insulation, water heater jackets and water heater pipe insulation. In 2017, Oncor added EnerChoice as a Program Implementer. EnerChoice uses program incentives to replace existing HVAC units in multifamily apartment complexes with high efficiency heat pumps and earns an administration fee of up to 10% for their services. The same income qualifications (household incomes at or below 200% of current federal poverty level guidelines) apply to this new program option.

Southwestern Electric Power Company

Hard-to-Reach Standard Offer Program (HTR SOP)

The HTR SOP targets residential customers in existing homes with total annual household incomes at or below 200% of current federal poverty guidelines and who have properly completed a Public Utility.

Commission of Texas (PUCT) approved income verification form, or who have been designated as HTR eligible through another PUCT-approved verification methodology. Incentives are paid to project sponsors for eligible measures installed in retrofit applications that result in verifiable demand and energy savings. Project comprehensiveness is encouraged and customer education regarding energy conservation behavior is provided by materials distributed by project sponsors.

Southwestern Public Service Company

Hard-to-Reach Standard Offer Program

Hard-to-Reach customers are defined by 16 TAC § 25.181(c)(27) as customers with an annual household income at or below 200% of federal poverty guidelines. The Hard-to-Reach SOP provides incentives for the comprehensive retrofit installations of a wide range of measures that reduce demand and save energy. This program is split into two segments, one for single-family residences and one for multi-family residences. Incentives and savings are tracked separately for these segments but are reported together in this EEPR.

Low-Income Weatherization Market Transformation Program

SPS's Low-Income Weatherization program is designed to cost-effectively reduce the energy consumption and energy costs of SPS's low-income customers. Under this program, one or more program implementers contract with not-for-profit community organizations and government agencies to provide weatherization services to SPS residential customers who meet the current Department of Energy income-eligibility

guidelines. Implementation of SPS's Low Income Weatherization program provides eligible residential customers appropriate weatherization measures and basic on-site energy education and satisfies the requirements of 16 TAC § 25.181*).



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

221 E. 11th Street, Austin, TX 78701
P.O. Box 13941, Austin, TX 78711

Main Number: 512-475-3800
Toll Free: 800-525-0657

Email: info@tdhca.texas.gov
Web: www.tdhca.texas.gov

Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.
Relay Texas: 800-735-2989 (TTY) and 711 (Voice).