

# New Outreach Strategies to Engage Low Income Customers

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# Energy Outreach Colorado

We are a private, non-profit dedicated to helping make energy affordable for all Coloradans:

- Utility Bill Payment Assistance
- Advocacy
- Energy Efficiency Programs



CLEER: Clean Energy Economy for the Region develops and delivers creative clean energy programs and services for communities, governments, businesses and households in western Colorado.

- Energy Efficiency
- Renewables
- Transportation



# Learning Objectives

- Effective Outreach-Marketing the Program
- How to approach identifying customers that qualify for the program
- Importance of leveraged funding and community partnerships
- Low Income DSM Program=Customer Service for most vulnerable customers
- Non Energy Benefits of Low Income DSM Programs
- Lessons Learned

# Low Income Consumption Data

Household Income	Annual NG Consumption (Dth)	Annual Electricity Consumption (kWh)
Less than \$20,000	40	7,535
\$20,000-\$39,999	45	8,195
\$40,000-\$59,999	46	8,717
\$60,000-\$79,999	50	10,278
\$80,000-\$99,999	55	9,895
\$100,000-\$119,999	59	10,966
Over \$120,000	65	12,499

Energy Information Administration (EIA) 2009 (West Region)

# Importance of These Programs

## Colorado Poverty Data

- 18% Child Poverty Rate
- 14% Women in Poverty
- 31% Single Parent HH
- 30% LI families work
- 165K HH Paying more than 30% income on housing
- 80K Receive LIHEAP in CO & over 100K Apply



# Importance of These Programs

- After ARRA, WAP agencies have reduced capacity and funding to serve more customers (2618 homes)
- Highly cost effective measures
- LI DSM Programs can generate significant NG savings for DSM goals





# Benefits for the Utility

- Manage Grid Resources
- Increased Customer Satisfaction
- Not tied to federal restrictions of WAP program- think of LI DSM as a customer service program
- Decrease shutoffs, bad debt and arrearages, and communication cost





# Challenges as Program

- Standard utility marketing methods have been unsuccessful-must be “boots on the ground”
- Customers not willing to take risk on efficiency with limited financial resources
- Messaging can be confusing and the wrong message can be marketed-free vs. enhanced rebates

# Outreach Strategies

- Local, trusted organization community based outreach
- Direct outreach to participants in utility bill assistance programs
- Utility – direct outreach to customers in certain classes (all electric)
- Co-branding Electric and Gas Provider Offering to get more participation

# Low Income vs. Income Qualified

- ❑ Targeting individuals who don't qualify for the WAP program but are still defined as low income customers <80% AMI
- ❑ Are you struggling financially? –No one wants to be asked this question
- ❑ Urban vs. Rural Marketing
- ❑ Low Income Customer 2.0-Next generation of poverty
- ❑ Few commodities paid for after usage

# Prescriptive Rebates

- Xcel Energy: \$631 /refrigerator, air sealing, increase hot water heater, no LEDs
- Source Gas, Atmos, CNG: \$550 furnace, \$400 attic, duct sealing \$100, rim insulation \$150,
- Holy Cross: \$630/refrigerator, \$1000/attic, \$750/wall, \$700/air sealing, \$70/tstat



# Our Process the field



- Outreach/Marketing
- Application-Income Verification
- Energy coaching visit
- Direct installs
- Contractor and project management
- Inspection of Measures
- Rebate Reimbursement



# More than energy

- Structural barriers
- Insect Infestation
- Comfort and Security





# More than energy

- Health and Safety
- Maintain Persistence of Savings
- Understand utility bill and strengthen relationship with utility

# Importance of Leveraged Funding

- Low Income rebate programs must be leveraged with additional funds-state, private, grants
- Structural barriers, health and safety issues, red tagged appliances, high installation cost due to condition of affordable housing stock
- Limited customer resources and lack of understanding on the value of energy efficiency

# Sources of Leveraged Funding

- Local funding sources (local governments, programs)
- Energy Outreach Colorado brings together various funding sources, including their own
- Grants-Need to find additional sources for programs to continue and thrive.
- Importance of explaining all the community and non energy benefits

# Co-branding Programs

- Both utilities can benefit-customer can more easily maintain home energy cost
- Essential to drive customer participation and most home energy needs are being met
- Don't make customers chose heat vs. light in times of crisis
- Both utilities get the credit and form stronger relationship with customer
- Customer credits the utility rather than a 3<sup>rd</sup> party provider



# Future opportunities

- Very positive and popular program
- Community solar
- Partnering with other public assistance agencies
- Possible income qualified loan program
- Combine with a prepaid meter program
- Clean Power Plan-“Community Involvement and Environmental Justice”

# Questions

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