

STATEMENT OF
Lanetta Cooper
On Behalf of
TEXAS LEGAL SERVICES CENTER
Before the
Senate Texas Business & Commerce Committee
August 24, 2010

My name is Lanetta Cooper and I am here today on behalf of Texas Legal Services Center ("TLSC"), a nonprofit legal aid organization. Our organization represents low income consumers before the Public Utility Commission.

We thank you for the opportunity to talk about options for reducing demand for electricity. We want to discuss equitable access to publically created or required demand savings programs. There are options for reducing demand that still ensure low income Texans are not excluded from, but included within the resulting energy efficiency plans. Demand savings goals should ensure that a percentage of demand savings from any energy efficiency plan be equal to the percentage of poverty within the economic area served by that plan. To date, the Public Utility Commission has not required this level of savings, and in fact, has recently decreased utility incentives to provide low income energy efficiency programs.

The best option for demand savings for low income Texas consumers is weatherization programs such as the one set out in §39.905 of the Public Utility Regulatory Act. This program provides for some house repairs, appliance repair or replacement, and insulation. Not only was this type of weatherization program found by a 2008 Entergy report to decrease electric demand, including peak demand, but it had a mushrooming effect in the local economy. The report also noted that low income households who received weatherization were better able to pay their electric bills thereby decreasing utility collection costs and bad debt. A copy of the report's summary is attached to these comments and includes other economical and societal benefits as well. The Committee should consider requiring weatherization programs for low income Texas consumers be a part of any energy efficiency plan addressing demand savings.

One of the areas you are asked to study is innovative pricing options. Pricing options do not provide the certainty of demand savings as do weatherization programs. Low income

seniors need pricing stability that does not change day to day or hour to hour to ensure they can pay their bills.

Reducing demand for electricity is too important a goal to be addressed as it is today in a disjointed manner. This Commission should consider the possibility of consolidating all energy efficiency programs into a stand-alone state agency to ensure:

- Equitable program access; and
- Public participation in the planning and implementation of energy efficiency plans

Energy Efficiency Equals Economic Development.

Developed for Entergy by Jerrold Oppenheim and Theo MacGregor

Summary of Findings:

- Public policy can, and should, reverse the growth of poverty.
- State policies that confront the low income energy crisis are proven and extremely cost-effective tools against poverty.
- State-mandated energy efficiency supports families' transition from hopelessness to self-sufficiency.
- Fighting poverty generates economic development.
- Low-income energy efficiency is a particularly powerful source of economic development almost three times more powerful than alternative public investments in manufacturing plants.



More results from this study, additional research from Oppenheim & MacGregor, and other valuable information about Entergy's Low-Income Customer Assistance Initiative are available online at: http://www.entergy.com/our_community/low_income.aspx.