

**Empowering Communities through Comprehensive  
Community-Based Energy Advocacy:  
Assessing Energy Programs and Advocacy in California and New Mexico**

by

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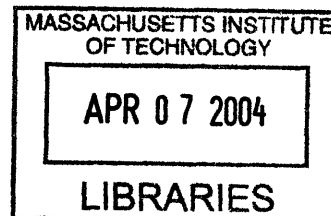
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ABSTRACT

While energy permeates virtually all facets of our lives, from our pocketbooks to our health, issues regarding energy fail to garner widespread attention until price surges or blackouts impede everyday activities. With higher energy burdens and higher incidences of power plants in their neighborhoods, however, low-income and Latino/communities of color confront significant economic and environmental energy-related challenges on a daily basis.

Energy policies not only impact the prices and provision of energy, but also affect the environmental, economic and physical well-being of communities. Sustainable energy policies that embrace renewable energy sources, energy-efficiency and conservation, and low-income energy programs, in conjunction with reliability and affordability issues, can significantly mitigate the environmental and economic energy burdens confronting low-income and communities of color, as well as the community at-large. Yet, community advocates concerned with issues such as sustainable development, housing, health, environmental justice, and economic development, to name but a few, often leave energy policy to the 'experts,' including utilities and regulators, which tend to overlook these issues, particularly with respect to low-income and communities of color. As a result, each state provides varying levels of energy efficiency and low-income energy assistance programs, leaving some communities out in the cold.

This thesis explores the energy-related challenges confronting low-income and Latino communities in California and New Mexico. Through the analysis of two contrasting environmental and low-income energy programs and advocacy approaches in California and New Mexico, the goal of this thesis is to challenge the community 'laissez faire' approach to energy policy and highlight the vital role of comprehensive community-based energy advocacy.

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Whose unconditional love and support have sustained me  
Whose leadership and commitment to the community inspire me  
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For the most part, the vital and ubiquitous nature of energy remains largely unnoticed until blackouts and price spikes, such as those experienced in 1979 and 2000 and most recently embodied by the “Great Blackout of 2003,”<sup>1</sup> disrupt everyday activities. Yet, access to such a basic commodity poses a major challenge for low-income and communities of color on a daily basis.

Low-income and communities of color are particularly vulnerable to unstable energy costs and the ensuing environmental by-products resulting from increased energy production. Although low-income households consume less energy on a per capita basis than non-low-income households, energy costs constitute a much higher portion of their incomes than for non-low-income households. Whereas middle income (and above) households devote only 5% of their total income to energy bills, low-income households spend 20% of their total income on energy.<sup>2</sup> Due to this disproportionately high energy burden,<sup>3</sup> utility bills place enormous economic pressures on low-income families, forcing some families to choose between basic necessities such as heating or food.<sup>4,5</sup> High energy bills can lead to even more serious situations, and as highlighted by the executive director of the Colorado Energy Assistance Foundation, “inability to pay utilities is second only to inability to pay rent as a reason for homelessness.”<sup>6</sup>

In addition to economic pressures, low-income communities and communities of color also suffer disproportionately from the environmental pressures caused by the production of energy. As highlighted by Natural Resources Defense Council, “electricity production is the single largest source of air pollution in the United States, contributing greatly to acid rain, smog, global warming, and public health problems.”<sup>7</sup> Once again, however, low-income and communities of color, bare the brunt of these environmental pressures, given the fact that power plants are typically placed in their

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<sup>1</sup> “The Great Blackout of 2003” is a phrase frequently quoted by media to describe the widespread power outage that paralyzed parts of the Midwest and the Northeast on August 14, 2003.

<sup>2</sup> National Low-Income Energy Consortium, National Energy Assistance Directors’s Association, and National Fuel Funds Network, “*The Cold Facts: The First Annual Report on the Effect of Home Energy Costs on Low-Income Americans*,” 2001-2002.

<sup>3</sup> Energy Burden: the amount that a household spends on all forms of energy as a percent of total income.

<sup>4</sup> Oppenheim, Jerrold, and Macgregor, Theo, “*Low-Income Consumer Utility Issues: A National Perspective*,” Gloucester, MA, October 2000.

<sup>5</sup> Groberg, Robert and DOE HUD Initiative, “*Energy Desk Book for HUD Programs*,” U.S. Department of Housing and Urban Development (HUD). April 2000.

<sup>6</sup> Energy Outreach Colorado, “LIHEAP Factsheet: Quote from Energy Outreach Colorado,” Campaign for Home Energy Assistance, Washington DC, June 2003.

<sup>7</sup> Natural Resources Defense Council (NRDC), “*The Green Gate: Residential Electricity and Natural Gas Consumption*,” 2001. On-line information source on the San Francisco Bay Area and the environment,

<http://www.nrdc.org/greengate/air/electricv.asp>

neighborhoods.<sup>8</sup> A survey of proposed power plants in California 2001, for example, revealed that most of the power plants will be located in communities of color and in low-income communities.<sup>9</sup>

As discussed above, energy poses major environmental and economic challenges to low-income and communities of color. Yet, energy policy continually fails to garner sufficient attention from community-based organizations and advocates representing these communities. While energy policy has a major impact on issues that concern community-based organizations, such as housing, economic development and sustainable development, to name but a few, the area of energy policy is often left to the “experts,” including regulators, utilities, economists, and engineers.<sup>10</sup> Consequently, although energy policy plays an integral role in the economic and environmental well-being of communities, the majority of energy policies are created in a vacuum, without considering the needs and interests of *all* affected parties.

Sustainable energy policies that embrace renewable energy sources, energy-efficiency and conservation, and low-income energy assistance programs, in conjunction with reliability and affordability issues, can significantly mitigate the environmental and economic energy burdens confronting low-income and communities of color, as well as the community at-large. Yet, while most states provide at least some form of support for renewables, energy efficiency, and/or low-income energy assistance, each state provides its own unique version of programs that widely range in terms of comprehensiveness.<sup>11</sup> The resulting inconsistency in the provision of environmental and low-income energy programs often leave many communities out in the cold. However, some communities have initiated innovative advocacy strategies that have contributed to the creation and expansion of low-income and environmental energy programs.

In assessing contrasting energy programs and advocacy experiences in the states of California and New Mexico, this thesis explores the following research question:

Which energy programs and concomitant advocacy approaches best meet the needs of low-income and Latino communities in California and New Mexico?

The ultimate goal of this thesis is to highlight the vital role of community-based advocacy in energy policy and provide a framework for comprehensive community-based energy advocacy.

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<sup>8</sup> Latino Issues Forum, “*Power Against the People? Moving Beyond Crisis Planning in California*,” San Francisco, CA. November 2001.

<sup>9</sup> Ibid, page 5.

<sup>10</sup> Lau, Raymond, “*Energy and Low-Income Housing: Part II, Community Strategies*,” Shelterforce Online, National Housing Institute. Issue #76, July/August 1994.

<sup>11</sup> National Consumer Law Center, *Access to Utility Service* (2d. ed. 2001), section 9.2.6, page 219.

## METHODOLOGY

This thesis focuses on low-income and Latino communities in California and New Mexico due to the high proportion of Latinos residing in those states, coupled with the contrasting provision of energy programs. California possesses the largest total population in the United States as well as some of the most comprehensive energy programs in the country. Alternatively, New Mexico's far smaller and more rural demographic experience more closely mirrors that of its Southwest neighbors. It also ranks amongst the highest in the country with respect to poverty levels, and yet provides some of the least comprehensive energy programs. Analyzing energy advocacy in states that demonstrate such contrasting levels of comprehensiveness in energy programs helps to demonstrate the role of community-based energy advocacy in promoting and acquiring sustainable energy policies that benefit *all* communities.

For purposes of this thesis, energy programs that 'best' meet the needs of low-income and Latino communities are defined through an assessment of specific program offerings, funding, and participation/penetration levels.<sup>12</sup> Which advocacy approaches 'best' meet the needs of low-income and Latino communities are determined by gauging community-based participation in energy-related decision-making processes and its ensuing results.

Table 1 lists the necessary criteria that determine whether a particular energy program best meets the needs and interests of low-income and Latino communities:

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<sup>12</sup> While environmental energy programs are examined, for purposes of this thesis, an emphasis is placed on low-income energy efficiency and rate assistance programs.

Table 1.

ENERGY PROGRAM EFFICACY CRITERIA	
	<b>Energy Programs that Best Meet the Needs of Low-Income &amp; Latino Communities:</b>
<b>Type of Program</b>	<ul style="list-style-type: none"> <li>- Specifically address economic and environmental energy burdens facing low-income and Latino energy consumers, i.e., low-income energy efficiency and rate assistance</li> <li>- Energy programs that utilize multi-lingual, non-traditional forms of outreach.</li> </ul>
<b>Funding Sources and Amount</b>	- Non-voluntary sources of funding including federal, state, utility ratepayer funding, in addition to those programs funded by voluntary funding sources.
<b>Participation/Subscription Levels</b>	- Reach at least 50% of those below the poverty level in the state, or utility-specific service territory.

Energy programs that specifically address the economic and environmental challenges confronting low-income and Latino energy consumers; receive federal, state, and utility-level funding; and exhibit subscription levels of 50% or above; are deemed as best meeting the needs of low-income and Latino communities.

Advocacy in energy regulatory proceedings has lead to significant low-income energy policies, ranging from the creation to the expansion of different types of low-income energy programs. However, advocacy efforts and their efficacy in ‘best’ meeting the needs of low-income and communities of color also vary. For purposes of this thesis, advocacy efforts are considered ‘best’ when all elements of comprehensive community-based energy advocacy are in place, as explained in Table 2:<sup>13</sup>

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<sup>13</sup> Definition of comprehensive community-based low-income energy advocacy strategies derived from compilation of advocacy approaches and recommendations as described in Low-Income Energy Clearinghouse Advocacy Toolkit, *Access to Utility Service*, and “Working in the Regulatory Arena: A Primer.”



Table 2.

<b>ENERGY ADVOCACY EFFICACY CRITERIA</b>	
<b>Elements of Comprehensive Community-Based Energy Advocacy:</b>	<b>Energy Advocacy that Best Meets the Needs of Low-Income &amp; Latino Communities:</b>
<b>Community-based Participation in the Regulatory Decision-making Process</b>	<ul style="list-style-type: none"> <li>▪ On-going and sustained presence in energy regulatory decision-making processes, (namely, at the legislature, public utility commission, utility-specific levels), that yields tangible results creating or expanding community energy assistance programs.</li> </ul>
<b>Constituency and Coalition Building</b>	<ul style="list-style-type: none"> <li>▪ Capacity Building through education and outreach within community as well as partnering with different communities, organizations &amp; stakeholders.</li> <li>▪ Community input helps guide community-based energy policy agenda.</li> </ul>
<b>Funding Sources</b>	<ul style="list-style-type: none"> <li>▪ Diverse funding sources ranging from federal leveraging monies, private foundations, non-profit organizations, and utilities.</li> </ul>
<b>Technical and Legal Expertise</b>	<ul style="list-style-type: none"> <li>▪ Use of legal and technical expertise to facilitate participation in regulatory decision-making process.</li> <li>▪ Legal and technical input helps inform energy policy agenda.</li> </ul>

Comprehensive community-based energy advocacy begins and ends with the consistent and sustained presence of organizations representing low-income and communities of color in energy related decision-making processes.<sup>14</sup> In most states, major energy related decision-making occurs within the regulatory process, namely in the state’s public utilities commission, the legislature, state agencies that administer federal low-income energy programs and environmental and energy planning, and at utility-specific levels.<sup>15</sup> Presence in the regulatory decision-making arena includes providing comments and testimony for legislation and public utility commission decisions, serving on advisory boards, sponsoring community-based energy related legislation, initiating utility-specific pilot programs, and meeting with decision-makers.

The remaining elements, constituency and coalition building, access to funding sources, and technical and legal resources, reinforce the participation of the organization in the regulatory decision-making process. Constituency and coalition building activities expand the organization’s support base within as well as beyond their communities, increasing the political legitimacy of the organization amongst decision-makers.

Constituency building consists of engaging in community outreach, media, and education in order to garner awareness, support, and participation from the community itself in energy issues and related decision-making processes. The involvement and participation of the community itself in

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<sup>14</sup> Types of organizations considered community-based low-income energy advocates: community based organizations such as non-profit public policy organizations, community action agencies, direct service providers, and environmental justice organizations that represent low-income and communities of color.

advocacy and decision-making allows for a dialogue between the community and decision-makers. This direct community involvement provides first-hand insight into the challenges confronting low-income communities, helping to inform decision-makers of the need, applicability, and adequacy of programs. This relationship and ensuing insight also helps guide an organization's community-based energy policy agenda.

Coalition building further expands the support base for low-income energy programs across different communities and organizations, increasing the organization's political strength and constituency. The partnerships between low-income energy advocates, environmental groups, and/or utilities represent an example of coalition building prevalent in recent energy advocacy approaches. With increased community awareness and involvement, the accountability of decision-making entities amongst these communities also increases. Constituency and coalition building also facilitate the exchange of information and technical resources between diverse organizations, which is especially helpful for organizations with limited resources.

Diverse funding sources help sustain community-based low-income energy advocacy, allowing for the dedication of staff to energy advocacy as well as access to legal and technical expertise. Funding sources for advocacy range from federal leveraging money, private foundations, intervenor compensation at the public utilities commission level, to utilities, to name but a few.<sup>16,17</sup> Preliminary advocacy efforts usually begin with limited or no funding which is sometimes bolstered by pro-bono technical and legal support. As an organization's legitimacy, reputation, and constituency grows in the regulatory decision-making process, increased access to larger and more diverse funding sources is necessary in order to support the demands of a sustained and comprehensive community-based advocacy agenda.

Finally, the results of these advocacy efforts serve as the most important indicator of their efficacy. The success of advocacy efforts is contingent on the extent to which the participation and recommendations of low income energy advocates influence final regulatory decisions. Low-income energy policies and programs at legislative, public utility commission, as well as utility-specific levels represent advocacy efforts that paid off due to an amalgamation of informed, active communities and receptive decision-makers.

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<sup>15</sup> Local government as well as municipal utility and irrigation district programs are not addressed in this thesis.

<sup>16</sup> Different types of funding sources based on compilation of funding sources for Latino Issues Forum and those described by Betty Pruitt, Low-Income Energy Clearinghouse Interview, Advocacy Toolkit.

<sup>17</sup> According to Access to Utility Service, intervenor compensation refers to the reimbursement of "funds expended by representatives who successfully intervene in certain types of proceedings" and that demonstrate a level of hardship, i.e., financial or lack of adequate representation. Page 235.

To gauge participation in these different elements in California and New Mexico, I reviewed public utility commission service lists, decisions and rulemakings; meeting minutes and attendance records; regulatory comments and testimony; legislative records; news articles; annual foundation reports; and low-income energy related studies; as well as conducted interviews with decision-makers, program managers, direct service providers, and community-based organizations. Participation in community-based regulatory decision-making, constituency and coalition building, combined with access to funding sources, and technical and legal expertise, indicate that comprehensive community-based low-income energy advocacy, in low-income and Latino communities exists in that state. Only partial participation, on the otherhand, indicates that the advocacy efforts were not comprehensive and therefore falls short of best meeting the needs of low-income and Latino communities.<sup>18</sup>

**CHAPTER OVERVIEW**

Determining the best energy policies, programs, and advocacy approaches for Latino and low-income communities requires an understanding of residential community energy needs, as well as assessing existing energy programs and advocacy efforts in California and New Mexico:

Table 3.

<b>CHAPTER OVERVIEW</b>				
<b>Chapter 1:</b> Introduction	<b>Chapter 2:</b> Latino and Low-Income Community Energy Needs in California and New Mexico	<b>Chapter 3:</b> Energy Programs Geared Towards Low- Income and Latino Communities in California and New Mexico	<b>Chapter 4:</b> Community-Based Energy Advocacy in California and New Mexico	<b>Chapter 5:</b> Conclusion
Relevance of Community- Based Involvement in Energy Policy	<b>Community Assessment:</b> <ul style="list-style-type: none"> <li>▫ Demographics</li> <li>▫ Residential Energy Characteristics</li> </ul>	<b>Program Overview &amp; Assessment:</b> <ul style="list-style-type: none"> <li>▫ Inventory of Programs</li> <li>▫ Program Assessment</li> </ul>	<b>Advocacy Overview &amp; Assessment:</b> <ul style="list-style-type: none"> <li>▫ Regulatory Decision- Making Entities</li> <li>▫ Inventory/Assessment of Advocacy Efforts</li> </ul>	Do Best Programs Emanate from external advocacy or internal decision- making institutions?

Chapter Two assesses the demographics and energy characteristics of residential communities in California and New Mexico’s Latino and low-income communities. The program overview, contained in Chapter Three, catalogues existing environmental and low-income energy programs

<sup>18</sup> The ability or failure to meet the criterion to best meet the needs of low-income and Latino communities is not static, and can change from year to year based on increased or decreased community participation and/or a changing regulatory

and gauges the extent to which these programs best meet the needs of low-income and Latino communities in California and New Mexico.<sup>19</sup> Chapter Four describes the regulatory structure in which community-based energy advocacy efforts operate and examines whether they best meet the needs of Latino and low-income communities. The final chapter, Chapter Five, explores which variable serves as the key variant in determining the ‘best’ programs and policies. Chapter Five also discusses the extent to which successful energy programs reflect state or utility-instigated (internal pressure) policies or result instead from external pressure placed by community-based advocacy efforts (or a mixture of both). More importantly, Chapter Five concludes that comprehensive community-based energy advocacy plays a necessary role in the implementation of sustainable energy policies and programs that address the needs of *all* communities, including those traditionally excluded from the decision-making process.

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decision-making environment.

<sup>19</sup> Low-Income energy efficiency and rate assistance are the main focus of this program assessment. Environmental programs are examined, but only on a peripheral basis.

**CHAPTER 2: LATINO AND LOW-INCOME COMMUNITY ENERGY NEEDS IN CALIFORNIA AND NEW MEXICO**

Assessing the efficacy of policies and advocacy approaches that best meet the needs of Latino and low-income communities in California and New Mexico requires an understanding of what these needs are in the first place. In an effort to shed light on the energy-related needs and challenges confronting Latino and low-income communities in these states, this chapter explores the demographics and energy characteristics of residential energy consumers in California and New Mexico. This section also includes demographics and energy trends at the national level in order to provide a regional context for trends in California and New Mexico. Tables 4 and 5 highlight the demographics and residential energy characteristics examined at the federal and state level:

Table 4.

Demographics
Population
Race
Poverty Levels

Table 5.

Residential Energy Characteristics
Energy Consumption
Energy Costs
Economic and Environmental Burdens

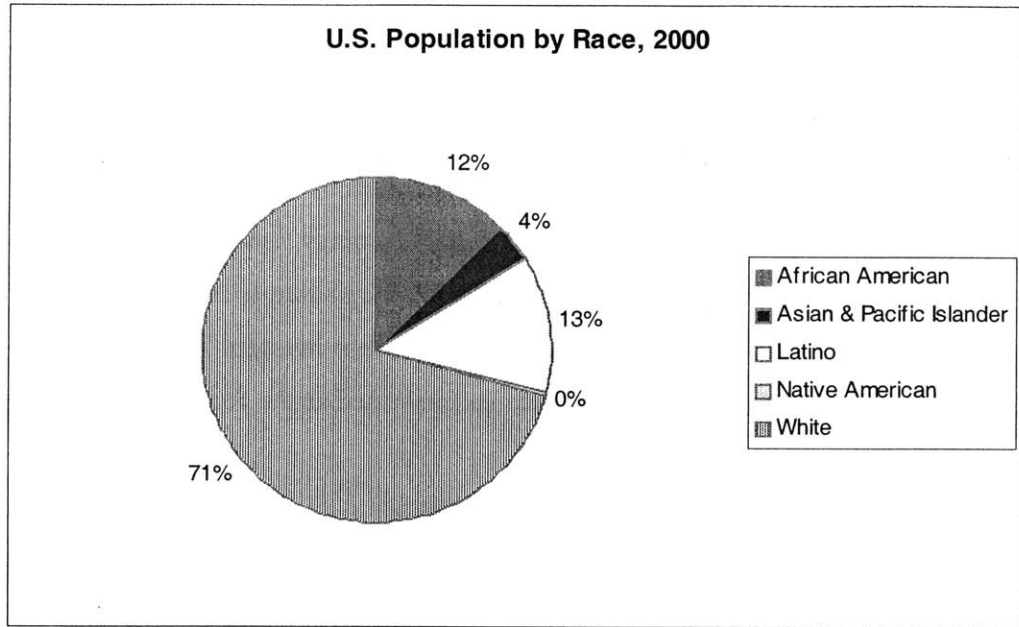
**DEMOGRAPHICS**

**Population and Race in California, New Mexico, and the U.S.**

National figures on race do not reflect the diverse demographic realities in many areas in the US, particularly in California and the Southwest, where traditional minorities are now becoming majorities (in terms of population). Between 1990 and 2000, the country’s population experienced a 13% increase in its total population, growing from 248 million in 1990 to 281 million in 2000.<sup>20</sup> By 2001, Whites still composed the majority of the country’s population while African American, Asians, and Latinos still are minorities, at least at the national level. (Figure 1).

<sup>20</sup> U.S. Census Bureau, “Resident Population of the United States: 1790 - 2000.” [www.census.gov/dmd/www/resapport/states/unitedstates.pdf](http://www.census.gov/dmd/www/resapport/states/unitedstates.pdf)

Figure 1.



Source: US Census 2000

A closer look at California and New Mexico reveals an alternative demographic experience. Both states have experienced an increase in their populations between 1990 and 2000, outpacing national growth rates. California solidified its standing as the most populous state in the country, growing approximately 17% between 1990 and 2000 to approximately 35 million residents.<sup>21</sup> With a population of 1.8 million, New Mexico's population represents a fragment of California's population, but it ranks among the fastest growing states in the country, growing by approximately 20% between 1990 and 2000.<sup>22</sup>

Spearheaded by Latino growth, these two states in particular are undergoing a major and unprecedented demographic transition to majority minority states. (Figures 2 and 3). "In the Census 2000, New Mexico and California were the only two states in which no single, major racial/ethnic group comprises a majority of the state's population."<sup>23</sup> In California, with 16 million individuals, Whites compose 48% of the total state population of 34.2 million. Almost 11 million Latinos compose 32% of the total state population. At 2.3 million individuals, African Americans compose 7% of the total population, and Asians compose 11% with 4.1 million individuals. While Native

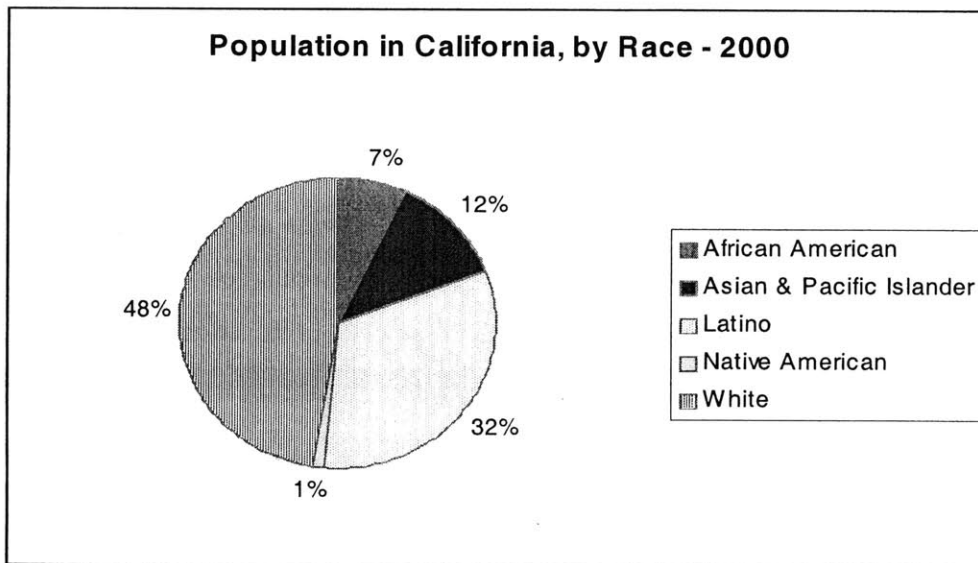
<sup>21</sup> US Census 2000 and 1990 population data..

<sup>22</sup> New Mexico Economic Development Department, "The New Mexico Factbook: The Demographics of New Mexico," 2003.

<sup>23</sup> Ibid.

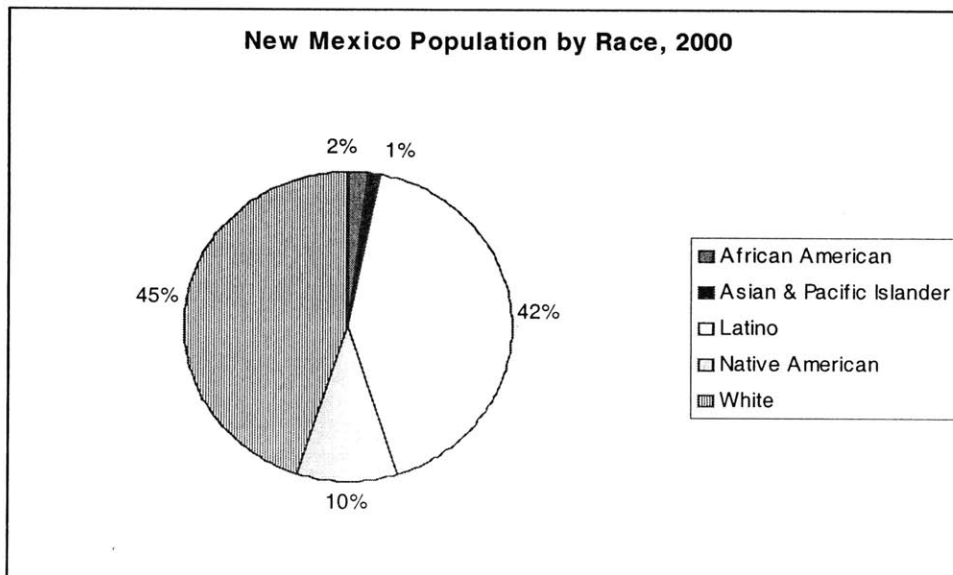
Americans compose only 1% of California's total population, at 388,650, California has one of the largest populations of Native Americans in the country. In New Mexico, the 765,386 Latinos compose 42% of the population, while the 813,495 Whites compose 45%. At 34,343, African Americans compose 2% and, at 19,255, Asians compose 1% of the total population. With 173,483 individuals, Native Americans compose 10% of New Mexico's population. "There are 19 Native American pueblos as well as Navajo and Apache reservations in New Mexico."<sup>24</sup>

Figure 2.



Source: US Census 2000

Figure 3.



Source: US Census 2000

<sup>24</sup> New Mexico Environmental Law Center, synopsis of HRI-ENDAUM Uranium Mining Case, [www.nmenvirolaw.org/cases/hri.htm](http://www.nmenvirolaw.org/cases/hri.htm)

## Poverty and Race in California, New Mexico, and the U.S.

The national poverty level of 9.2% also does not adequately reflect geographic and racial/ethnic variations within the United States. Of the 6.8 million, or 9.2%, of the country's families that are living below the poverty line, the majority, or roughly 3.1 million, are White.<sup>25</sup> African Americans and Latinos make up only 28% (1.8 million) and 29% (1.6 million), respectively, of the total portion of families living below the poverty line, compared with 45% of White families. However, these figures do not reflect the *disproportionate* levels of poverty found in communities of color. While White families compose the largest number of families below the poverty line, this figure only represents 5.7% of the 53.7 million White families in the country. On the other hand, 20.7% of the 8.8 million African American families and 19.4% of the 8.5 million Latino families in this country are living below the poverty line. Different regions also display different levels of poverty, with the South being the poorest. With 18.4% of its population living below the poverty level, New Mexico has one of the highest percentages of poverty in the country.<sup>26</sup>

## RESIDENTIAL ENERGY CHARACTERISTICS

As the country's population expands at different rates for different racial/ethnic communities throughout the country, so does its thirst for energy. While total US residential energy consumption in 1997 is almost equal to that in 1978, it has increased 19% between 1984 and 1997 (it first experienced a decline between 1978 and 1982).<sup>27</sup> However, this rise in total energy consumption does not reflect individual consumption patterns. On a per household basis, residential energy consumption has fallen by 27% in the United States between 1978 and 1997. The rise in total energy consumption rates can be attributed instead to the overall increase in population.

Data on race and residential energy usage also reflect varying trends between different races.<sup>28</sup> According to the study, "Residential Energy Usage by Origin of Householder," energy consumption between White and Black households closely paralleled each other, while Latinos and

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<sup>25</sup> Data referring to poverty by race extrapolated from the U.S. Census, Poverty Status of Families by Race, 1959 – 2001.

<sup>26</sup> Poverty in the United States, Statistics and Demographics, Pacific Lutheran University, [www.plu.edu/~poverty/stats/home.html](http://www.plu.edu/~poverty/stats/home.html)

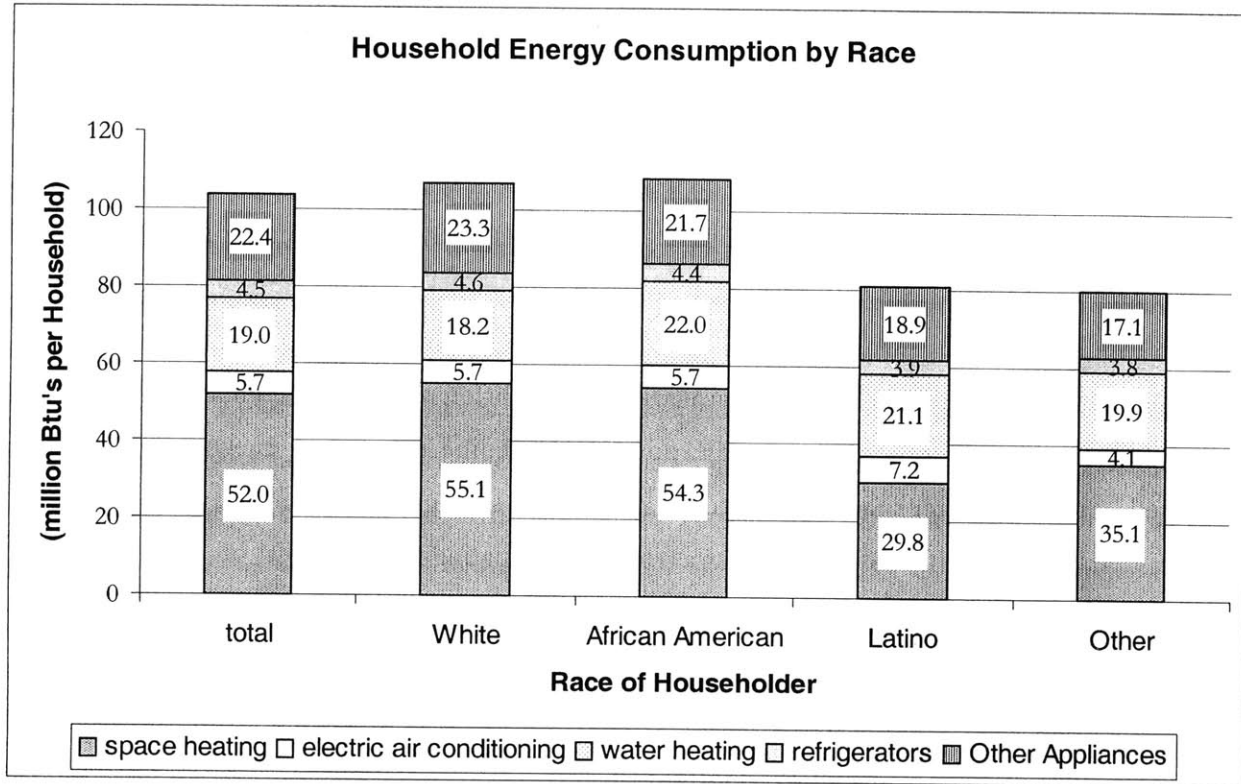
<sup>27</sup> Energy Information Administration, "A Look at Residential Energy Consumption in 1997," (DOE/EIA-0632 (97) November 1999, page 8.

<sup>28</sup> Data on race and energy trends at the national level and for different climate zones are contained in "Residential Energy Usage by Origin of Householder," 1997 Residential Energy Consumption Survey, Energy Information Administration. However, more specific regional data on energy trends by race could not be obtained for this study.



“Other” households consumed less energy at the national level.<sup>29</sup> Figure 4 (below) provides a breakdown of the different energy consumption levels based on race:<sup>30</sup>

Figure 4.



Source: Energy Information Administration, 1997 Residential Energy Consumption Survey

On average, U.S. households consumed 101.0 million Btu per household.<sup>31</sup> However, a breakdown of energy consumption by race reveals differences in energy consumption. Black and White households consumed roughly the same amounts of energy, at 105.6 million Btu and 104.8 Btu, respectively. Latino and “Other” consumed approximately 30% less, at 75.9 million Btu and 74.6 Btu, respectively. Space heating usage appeared to be the driving force between the differences in

<sup>29</sup> ‘Other’ includes “Native American, Alaskan Native, Asian, and Pacific Islander” households, as defined by the 1997 Residential Energy Consumption Survey, in “Residential Energy Usage by Origin of Householder,” 1997 Residential Energy Consumption Survey, Energy Information Administration, page 2. [www.eia.doe.gov/emeu/recs/origin\\_householder.html](http://www.eia.doe.gov/emeu/recs/origin_householder.html).

<sup>30</sup> Graph from “Residential Energy Usage by Origin Householder,” 1997 Residential Energy Consumption Survey, Energy Information Administration, page 1. [www.eia.doe.gov/emeu/recs/origin\\_householder.html](http://www.eia.doe.gov/emeu/recs/origin_householder.html).

<sup>31</sup> According to the Energy Information Administration’s Glossary, Btu’s or British Thermal Units is a convenient measure by which to compare the energy content of various fuels. It is a standard unit for measuring the quantity of heat energy equal to the heat needed raise the temperature of 1 pound of water 1 degree Fahrenheit when the water is near 39.2 degrees Fahrenheit.

energy consumption between the different races, with Latino and “Other” households consuming approximately 20% less space heating Btu than Black and White households.

Energy expenditures reflected the varying energy consumption levels between races, even when considering different climate zones. According to the study, the average U.S. household spent a total of \$1,338 on energy, 30% of which went towards lighting and appliances and about 45% of which went to space heating. White and Black households paid \$1,385 and \$1,355, respectively, while Latino and “Other” households exhibited energy expenditures of \$1,089 and \$1,019, respectively. “One of the most significant factors influencing energy consumption is climate - the length and intensity of the heating and cooling seasons.”<sup>32</sup> When considering the most extreme weather conditions (either extremely hot or cold), Latinos still consumed less energy than Whites.

This average energy bill impacts families in vastly different ways depending on their race as well as income. The energy burden, or the portion of income devoted to energy costs per year, fluctuated between different races, but income levels most strongly influenced energy burdens. The average energy burden for all incomes was 6.2%, fluctuating from a low of 5.6% for White households to a high of 9.7% for Black households. Latino households exhibited an energy burden of 6.8%, while “Other” households displayed an energy burden of 5.3%. “(T)here are some differences in the total individual household energy burden within income levels by origin of householder (race). However, the more significant differences are across incomes levels.”<sup>33</sup> With an energy burden of 18%, households earning less than \$10,000 per year exhibited the highest energy burdens.<sup>34</sup> Although low-income families “use far less energy than the rest of the residential consumer population and have few options for reducing their bills,” they devote a higher portion of their incomes to energy bills.<sup>35</sup> As a result, while increases in energy bills pose an inconvenience to all, “(t)he impact of even a small rate increase is disproportionately onerous to the poor, and reduces further their limited ability to supply their families with basic necessities.”<sup>36</sup>

While reflecting most of the country’s general residential energy consumption trends, California and the Southwest also share some unique characteristics that diverge from the rest of the country. Both California and the Southwest have been experiencing increasing energy demand, but

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<sup>32</sup> U.S. Department of Energy, Energy Information Administration, “*Residential Energy Usage by Origin Householder*,” 1997 Residential Energy Consumption Survey (RECS), page 3. [www.eia.doe.gov/emeu/recs/origin\\_householder.html](http://www.eia.doe.gov/emeu/recs/origin_householder.html).

<sup>33</sup> Ibid, page 5.

<sup>34</sup> Ibid, page 6.

<sup>35</sup> Fisher, Sheehan, & Colton, “On the Brink: Home Energy Affordability Gap in California,” April 2003.

<sup>36</sup> Dr. Margaret Power, “*Declaration of Dr. Margaret Powers: The Impact of Energy Costs on California*,” Washington, DC. February 13, 2001.

compared to the Northeast, Midwest, and South, consume the least amount of energy on a per household basis. In addition, according to the 1997 Residential Energy Consumption Survey, eligibility for the Low-Income Home Energy Assistance Program was highest in the West (37%) as compared to the South (35%), Midwest (30%), and Northeastern (33%) regions of the United States.<sup>37</sup>

Accommodating the growing energy needs of California and New Mexico's expanding Latino and low-income populations in a sustainable and equitable manner poses major challenges. But understanding even just these basic demographics and energy characteristics helps to begin the process of addressing these issues and challenges from a programmatic as well as advocacy perspective.

A more detailed discussion of California and New Mexico's demographics and energy characteristics is discussed in their respective sections below.

#### **A CLOSER LOOK AT CALIFORNIA'S DEMOGRAPHICS AND ENERGY TRENDS**

As California's population grew from 28,758,213 to 33,871,648 between 1990 and 2000, so did its thirst for energy.<sup>38</sup> Electricity consumption grew by 19% between 1990 and 2000, while the population grew by 14% within the same timeframe. Yet, in 1999, prior to the Energy Crisis, "California's per capita electricity use was already 40 percent lower than the rest of the nation's."<sup>39</sup> The recent energy market crisis in California, however, forced Californians to gauge their energy use even further. Due to the energy crisis and resulting conservation efforts, in 2001, residential electricity consumption fell by 6% from 2000 levels, although the population grew by 1.5%.<sup>40</sup> At least for the short term, Californians have been able to maintain these energy-saving habits. According to Natural Resources Defense Council (NRDC), "(n)ew data from the California Energy Commission show that instead of slipping back to the old habits in 2002, Californians sustained much of the conservation seen during the crisis, even accounting for the dampening effect of a slower economy."<sup>41</sup>

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<sup>37</sup> California and New Mexico both fall within the West US Census Region. In addition to the four Census Regions, RECS also provides data for the four most populous states, including California.

<sup>38</sup> The data reflected here and in the graph and two charts obtained from the California Energy Commission. [http://www.energy.ca.gov/electricity/consumption\\_by\\_sector.html](http://www.energy.ca.gov/electricity/consumption_by_sector.html)

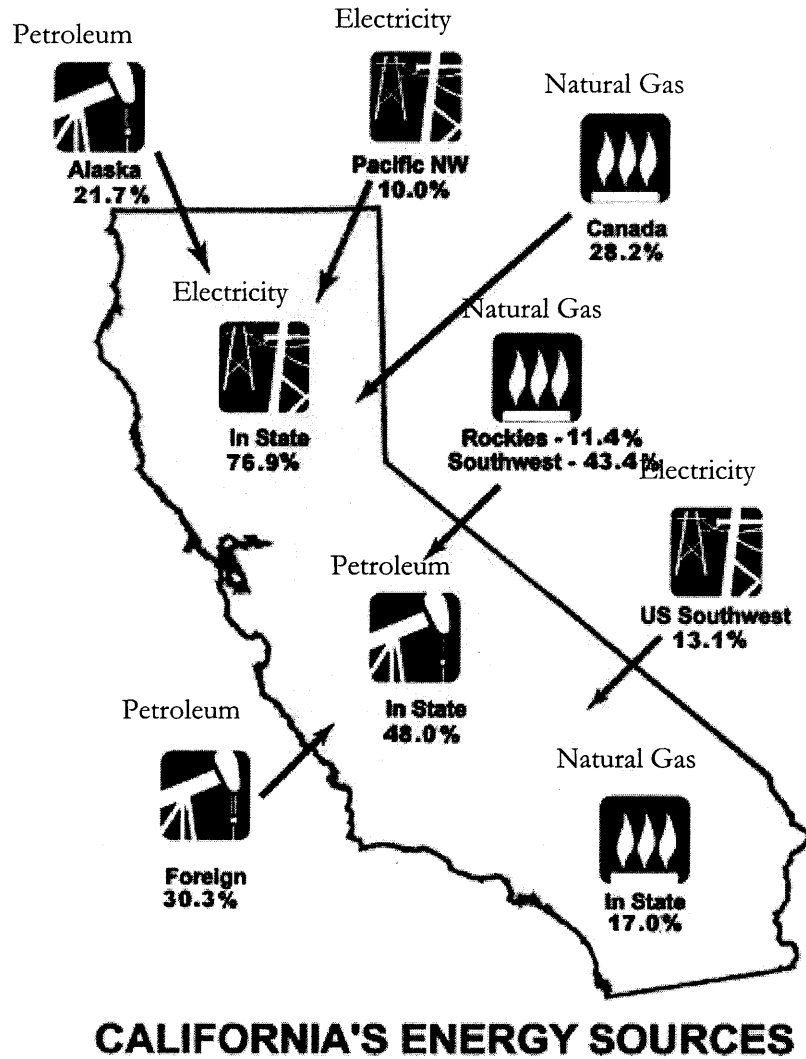
<sup>39</sup> Bachrach, Devra. "Energy Efficiency Leadership in California: Preventing the Next Crisis," Natural Resources Defense Council and Silicon Valley Manufacturing Group, April 2003. page 5.

<sup>40</sup> California Energy Commission. [http://www.energy.ca.gov/electricity/consumption\\_by\\_sector.html](http://www.energy.ca.gov/electricity/consumption_by_sector.html)

<sup>41</sup> Ibid, page iv.

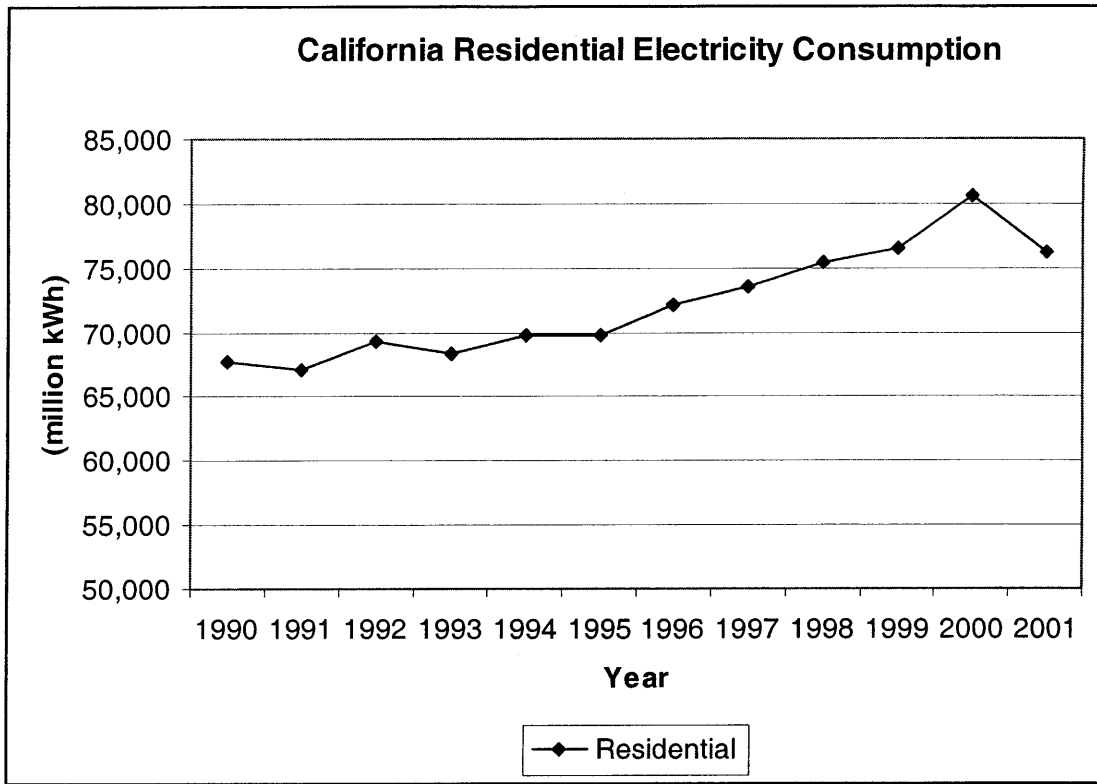
The figures below provide a snapshot of the energy needs of California and its residents. Figure 5 provides a description of the different types and sources of energy consumed by California. Figure 6 displays residential electricity consumption between 1990 and 2001.

Figure 5.



Source: California Energy Commission

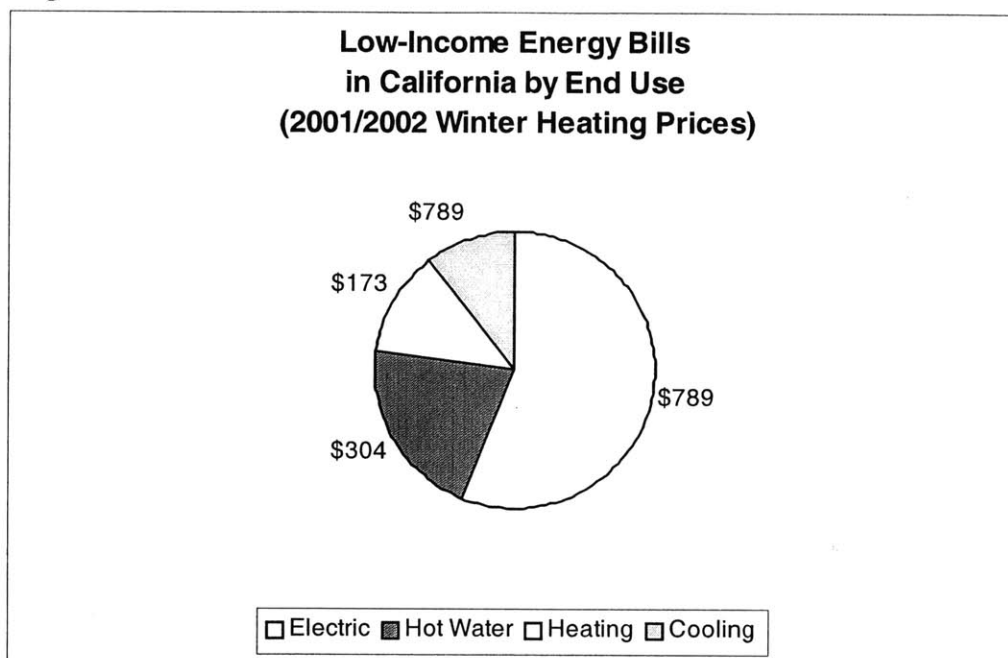
Figure 6.



Source: California Energy Commission

According to Fisher, Sheehan, and Colton’s assessment of the home energy affordability gap, the average residential energy bills in California were \$1413, at 2001/2002 winter heating prices.<sup>42</sup> Figure 7 reflects the breakdown of this bill:

Figure 7.



Source: Fisher, Sheehan, & Colton

At 55.8% of the total energy bill (\$1413), electric bills compose the largest portion of the yearly energy bills for residential customers in California.<sup>43</sup> Water heating came in second, costing \$304 and taking up 21.1% of the total energy bill, while home heating cost \$173 and composed 12.3% of the energy bill. Annual cooling costs represented the least amount of the bill at \$147 or 10.4%.

Low-income families bare the brunt of increasing energy bills at the state level as well. In their home energy affordability gap study, “On the Brink,” Fisher, Sheehan & Colton report that “(m)ore than 720,000 California households live with incomes at or below 50% of the Federal Poverty Level and thus face a home energy burden of 40% of income or more.”<sup>44</sup> In a declaration to the California Public Utilities Commission, (CPUC), Dr. Margaret Power reaffirms the major

<sup>42</sup> Fisher, Sheehan, & Colton, “On the Brink: The Home Energy Affordability Gap in California,” April 2003. <http://www.fsconline.com/work/heag/california.htm>

<sup>43</sup> Data for energy bill break down described in this paragraph from Fisher, Sheehan, & Colton, “On the Brink: Home Energy Affordability Gap in California,” April 2003. <http://www.fsconline.com/work/heag/california.pdf>

<sup>44</sup> Fisher, Sheehan, & Colton, “On the Brink: Home Energy Affordability Gap in California,” April 2003. <http://www.fsconline.com/work/heag/california.pdf>

challenges confronting low-income families in California, citing that “(l)ow-(i)ncome families in California pay a disproportionate share of their income for energy compared to the rest of the state’s families.”<sup>45</sup> Dr. Power quantifies the disproportionate impact of an increase of as little as \$0.01 kWh for a low-income household as being “6.7 times greater than the impact on a middle income consumer household.”<sup>46,47</sup>

Reflecting national trends, an incommensurate level of communities of color in California also live below the poverty level. While approximately 8% of Whites and 13% of Asians live below the poverty line, approximately 22% of Blacks and Latinos live below the poverty line in California.<sup>48</sup> Consequently, increases in energy prices have a harsher impact on communities of color as well.

In addition to suffering disproportionately from increasing energy prices, low-income and communities of color are more susceptible to environmental pressures caused by energy production, namely in the form of power plants located in their communities. A survey of proposed power plants in California, for example, found that most of the proposed power plants will be located in communities of color and in low-income communities.<sup>49</sup> While low-income communities did have high proportions of power plants placed in their neighborhoods, the study found that the principal factor in determining the location of a power plant was race.<sup>50</sup> “Race is by far the most significant variable associated with the siting of the 18 power facilities in our analysis.”<sup>51</sup>

A separate study conducted by Professor Manuel Pastor, Jr., also asserts a relationship between race and the presence of toxic hazards in a community, particularly in California. “While the national-level evidence is more mixed than many activists believe, several studies have demonstrated that minority residents in the Golden State, particularly in Southern California, are in fact more likely to be living near many types of environmental hazards than are whites.”<sup>52</sup> Another study conducted by the UCLA Institute of the Environment that examined the relationship between

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<sup>45</sup> Dr. Margaret Power, “*Declaration of Dr. Margaret Powers: The Impact of Energy Costs on California*,” Washington, DC. February 13, 2001.

<sup>46</sup> Ibid.

<sup>47</sup> According to the Energy Information Administration’s Glossary, kWh or kilowatthour refers to one thousand watt hours and serves as a common way of measuring energy. Technically speaking, the watt (W) refers to the unit of electrical power equal to one ampere under a pressure of one volt.

<sup>48</sup> Percentages based on tables on Poverty Status in 1999 by Age (and Race), California, U.S. Census Bureau, Census 2000.

<sup>49</sup> Latino Issues Forum, “*Power Against the People? Moving Beyond Crisis Planning in California Energy*,” November 2001, p.5.

<sup>50</sup> Ibid.

<sup>51</sup> Ibid, page 10.

<sup>52</sup> Professor Manuel Pastor, Jr., “*Racial/Ethnic Inequality in Environmental-Hazard Exposure in Metropolitan Los Angeles*,” California Policy Research Center, University of California, April 2001.

communities of color and top toxic air emitters in Los Angeles arrived at a similar conclusion. “(R)esearchers found that Latinos were more likely than other ethnic groups to live in neighborhoods adjacent to the plants, even when considering differences in income levels.”<sup>53</sup> As highlighted by these studies, while income plays a role, the overriding factor in determining the presence of power plants and pollution in a neighborhood in California appears to be race.<sup>54</sup>

As documented above, Latinos and low-income communities in California face formidable energy-related challenges. With increasing natural gas prices and forecasts of a regional drought, combined with the increasing pressures of a growing population, these challenges are only going to become more daunting without sustainable energy policies that embrace the needs of all communities. The section below explores the energy-related challenges confronting New Mexico’s Latino and low-income communities.

#### **A CLOSER LOOK AT NEW MEXICO’S DEMOGRAPHICS AND ENERGY TRENDS**

Like many other states in the Southwest, New Mexico boasts a rich tradition in racial and ethnic diversity. New Mexico’s Latino and Native American communities “have lived on traditional lands for generations,” even preceding U.S. history.<sup>55</sup> Growing by 20% between 1990 and 2000, New Mexico ranks within the top five fastest growing states in the country. This growing population is exerting increasing pressures on its limited resources as it consumes more land, water, and energy.

According to the Energy Information Administration’s Energy Use Rankings by Source in 2000, New Mexico ranks 38<sup>th</sup> in total energy consumption and 39<sup>th</sup> in residential energy consumption in the country.<sup>56</sup> However, New Mexico ranks 26<sup>th</sup> when considering the total energy consumed on a per person basis. Between 1997 and 2001, New Mexico’s residential electricity consumption increased by 4%. “Average sales per residential customer increased from 6,678 kWh to 6,935 kWh.”<sup>57</sup>

According to Fisher, Sheehan and Colton, based on 2001/2002 winter heating prices, the average energy bill for households in New Mexico was \$1,372, the majority of which, \$610.00 or

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<sup>53</sup> Faultline Magazine, “LA Latinos Subject to Worse Air: UCLA researchers say Southland polluters more likely to inhabit Latino neighborhoods,” Faultline Media Project, Earth Island Institute. January 10, 2001. [www.faultline.org/news/2001/01/10/latinorespiration.html](http://www.faultline.org/news/2001/01/10/latinorespiration.html)

<sup>54</sup> Professor Manuel Pastor, Jr., “Racial/Ethnic Inequality in Environmental-Hazard Exposure in Metropolitan Los Angeles,” California Policy Research Center, University of California, April 2001.

<sup>55</sup> New Mexico Environmental Health Sciences Center, 2002 Annual Report Contents: Community Outreach and Education Program (COEP), University of New Mexico Albuquerque. 2002.

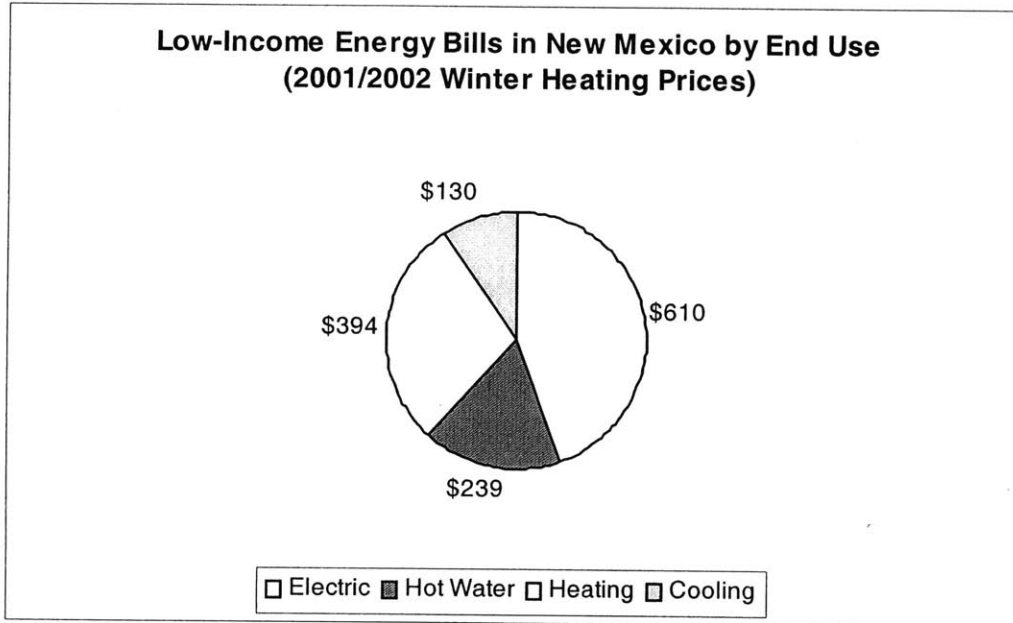
<sup>56</sup> Energy Information Administration, Energy Prices and Expenditure Ranked by State, 2000, [www.eia.doe.gov/emeu/states/sep\\_sum/html/pdf/rank\\_pr.pdf](http://www.eia.doe.gov/emeu/states/sep_sum/html/pdf/rank_pr.pdf)

<sup>57</sup> New Mexico Energy, Minerals and Natural Resources Department, “New Mexico’s Natural Resources 2002: Data and Statistics, Secondary Energy Sources,” page 53.



44.4%, went towards the electric bill.<sup>58</sup> Home heating came in second at \$394 or 28.7% of total energy bill expenditures, while the hot water bill composed \$239 or 17.4% of the total yearly energy bill. Composing only 9.5% of total annual energy expenditures, annual cooling bills averaged \$130. (Figure 8).

Figure 8.



Source: Fisher, Sheehan, & Colton

Electricity prices have also risen for residential consumers between 1997 and 2001, rising by 2%. “In 2001, New Mexico’s (electricity) prices compared to U.S. prices were 4.5% higher in the residential sector.”<sup>59</sup> Given the extremely high energy burdens facing low-income families in New Mexico, these price increases have a significant impact on the poor.

With about 18.4% of its 1.8 million residents living below the federal poverty line, “New Mexico has the highest household poverty rate among the states.”<sup>60,61</sup> Fisher, Sheehan, & Colton’s analysis of the challenges confronting low-income households in New Mexico found that “(m)ore than 51,000 New Mexico households live with incomes at or below 50% of the Federal Poverty

<sup>58</sup> Data regarding New Mexico’s energy bill breakdown from Fisher, Sheehan, & Colton, “*On the Brink: Home Energy Affordability Gap in New Mexico*,” April 2003.

<sup>59</sup> New Mexico Energy, Minerals and Natural Resources Department, “*New Mexico’s Natural Resources 2002: Data and Statistics, Secondary Energy Sources*,” page 53.

<sup>60</sup> Albuquerque Tribune, “*Children, Poverty, and New Mexico: By the Numbers*,” www.abqtrib.com.

<sup>61</sup> U.S. Bureau of the Census, Census 2000. Table DP-3. Profile of Selected Economic Characteristics: 2000, New Mexico.

Level and thus face a home energy burden of 39% of income or more.”<sup>62</sup> Also reflecting national trends, a disproportionate number of these low-income households are people of color. Approximately, 36% of all Native Americans, 23% of Blacks, and 24% of Latinos live below the poverty line in New Mexico, compared to 10% of all Whites and 14% of all Asians.<sup>63</sup>

With about 20 power plants and new ones slated to be built, New Mexico produces a surplus amount of energy, most of which is exported out of state to large customers such as California. “Approximately half of the electricity generated in New Mexico is consumed in other states.”<sup>64</sup> California and Arizona also own the majority, 68%, of New Mexico’s highest capacity plants, the Four Corners and San Juan Generating Stations. These two coal-fired plants alone produce over 70% of the state’s total energy.

The majority, 88%, of energy produced in New Mexico, emanates from coal as compared to the national figure of 56%.<sup>65</sup> This has major implications on the health of the environment and the people of New Mexico. According to the New Mexico Public Interest Research Group, “(c)al plants are the largest industrial sources of mercury, carbon dioxide – a global climate change gas, and soot and smog forming air pollution, which threaten public health and the environment.”<sup>66</sup> New Mexico’s largest power plants, the Four Corners and San Juan Generating Stations, rank amongst the top sources of air pollution in the Four Corners area and “are among the 100 dirtiest power plants in the U.S.”<sup>67</sup> These coal-fired power plants also rank within “the top fifty largest mercury polluters of coal power-plants in the country.”<sup>68</sup> Power plants in New Mexico are also among the top producers of air pollutants in other parts of the state, including the South and East.<sup>69</sup> While half of the electricity produced in New Mexico is exported to other states, New Mexicans are left to contend with the environmental by-productions of electricity production.

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<sup>62</sup> Fisher, Sheehan, & Colton, “*On the Brink: Home Energy Affordability Gap in New Mexico*,” 2003. <http://www.fsconline.com/work/heag/new-mexico.pdf>

<sup>63</sup> Percentages based on tables on Poverty Status in 1999 by Age (and Race), New Mexico, U.S. Census Bureau, Census 2000.

<sup>64</sup> New Mexico Energy, Minerals and Natural Resources Department, “*New Mexico’s Natural Resources 2002: Data and Statistics, Secondary Energy Sources*,” page 53.

<sup>65</sup> Ibid.

<sup>66</sup> New Mexico Public Information Research Group, “*Re-Energizing Renewables: How New Mexico Can Move Toward Reliable, Clean and Affordable Energy*,” March 2000.

<sup>67</sup> Zugel, Marianne and Brad Heavner, “*Clean Energy Solutions: Energy Efficiency and Renewable Energy in New Mexico*,” New Mexico Public Information Research Group Education Fund. March 2002. [www.nmpirg.org/reports/cleanenergyreports.pdf](http://www.nmpirg.org/reports/cleanenergyreports.pdf)

<sup>68</sup> Ibid.

<sup>69</sup> New Mexico Department of Health, “*The State of Health in New Mexico: 2000 Report*,” page 34. [www.health.state.nm.us/StateofNM2000/StateOfHealthNM2000.pdf](http://www.health.state.nm.us/StateofNM2000/StateOfHealthNM2000.pdf)

Although a relationship potentially exists between the location of power plants and communities of color and low-income communities in New Mexico, specific figures regarding this relationship could not be located for purposes of this study. Apparently, (and more disconcertingly), accessing this type of data has also been a problem for local communities in New Mexico. “Citizens have long expressed frustration that regulatory monitoring is not assessing the impacts of these industries within their communities.”<sup>70</sup> Although specific data is difficult to come by, as pointed out by various organizations, a confluence of factors including communities with limited economic and political power, have lead to serious environmental justice concerns in New Mexico, particularly for Latino and Native American communities:

Unfortunately, many of these (Native American) communities are viewed as places where resources are abundant and regulation is limited; they also are often seen as areas in which there is chronic unemployment, and in which jobs can be traded for environmental degradation. In addition, indigenous communities receive little or no protection from government regulators.<sup>71</sup>

With power plants and energy-related mineral extraction and processing increasingly being sited in indigenous reservations, tribal leaders and advocates have observed that “(e)nergy development in Indian country is again becoming big business.”<sup>72</sup> As power plants are being proposed in traditionally sacred areas, the Indigenous Environmental Network recently expressed concern with U.S. energy policy, particularly under President George W. Bush’s administration, stating that “(e)nergy policy in the U.S. does not recognize the protection of sacred sites.”<sup>73</sup> As demand for energy from both within New Mexico and bordering states continues to grow, the energy-related pressures facing these communities will also become greater.

As indicated by this glimpse at California and New Mexico’s demographics and energy characteristics, both low-income and Latino and Native American communities face formidable economic and environmental challenges emanating from rising energy prices, production, and consumption. The following chapters examine the energy programs as well as some unique advocacy efforts designed to best meet the needs and interests of low-income and Latino communities.

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<sup>70</sup> New Mexico Environmental Health Sciences Center, “2002 Annual Report Contents: Community Outreach and Education Program (COEP),” University of New Mexico Albuquerque.

[www-apps.niehs.nih.gov/centers/public/coep/ctr-361.htm](http://www-apps.niehs.nih.gov/centers/public/coep/ctr-361.htm)

<sup>71</sup> New Mexico Environmental Law Center, synopsis of HRI-ENDAUM Uranium Mining Case, [www.nmenvirolaw.org/cases/hri.htm](http://www.nmenvirolaw.org/cases/hri.htm)

<sup>72</sup> Tom Goldtooth, “Energy Development in Indian Country on the Upsurge with Concerns from Tribal Groups,” Indigenous Environmental Network, June 5, 2003. [www.ejcc.org/releases/IEN\\_030605.html](http://www.ejcc.org/releases/IEN_030605.html)

<sup>73</sup> Ibid.

## CHAPTER 3: ENERGY PROGRAMS GEARED TOWARDS LOW-INCOME AND LATINO COMMUNITIES IN CALIFORNIA AND NEW MEXICO

As highlighted in the previous chapter, low-income families and communities of color suffer disproportionately from both economic and environmental aspects of energy production and consumption. “Although low-income families typically use less energy than those with average incomes, energy costs devour a substantial portion of their limited resources.”<sup>74</sup> In addition to the added economic strains confronting low-income and Latino communities, these communities also suffer more from the production aspect of energy, as most power plants are located in their neighborhoods.

Chapter Three explores the energy programs that attempt to address the energy-related challenges confronting low-income and Latino families in California and New Mexico and assesses which of these programs best meet these challenges. The following section provides a general description of low-income energy efficiency and rate assistance programs. While not the main focus of this section, the status of (non-low-income) state-level energy efficiency programs is briefly addressed in each state’s respective program overview section.

### LOW-INCOME ENERGY ASSISTANCE PROGRAMS

#### Federal Low-Income Energy Assistance Programs

Many studies highlight the economic as well as non-economic benefits associated with low-income energy assistance programs. For example, “(e)lectric utility savings displayed (by low-income energy assistance programs) include kWh, bill savings to the customer (undiscounted), and savings to utilities (i.e., ratepayers) due to reduced costs of carrying arrears and disconnecting and reconnecting customers.”<sup>75</sup> Reduced energy use and costs resulting from low-income energy assistance programs not only benefit low-income energy consumers, but also benefit the federal and state government, utilities and non-low-income consumers.

While every state provides some form of low-income energy assistance via federal and/or state resources, each state offers its own variation of programs, some of which are more comprehensive than others. Most low-income energy assistance programs, however, fall into one of the following four major categories:<sup>76</sup>

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<sup>74</sup> National Consumer Law Center, *Access to Utility Service*, (2d ed. 2001), p. 155.

<sup>75</sup> Oppenheim, Jerrold, and Macgregor, Theo, “*The Economics of Low-Income Electricity Efficiency Investment*,” Revised January 8, 2002. [democracyandregulation.com/detail.cfm?artid=14&row=1](http://democracyandregulation.com/detail.cfm?artid=14&row=1).

<sup>76</sup> Oppenheim, Jerrold, and Macgregor, Theo, “*Low-Income Consumer Utility Issues: A National Perspective*,” Gloucester, MA, October 2000.

- Affordability programs, which provide direct assistance in paying energy bills;
- Consumer protections, such as collection practices and installment billing requirements, which make it easier to pay energy bills on time;
- Education programs, which teach consumers about prudent energy use and counsel them about budgeting; and
- Efficiency and weatherization programs, which make investments to help consumers control their energy bills by reducing their need for energy.

Each state provides one or more of these types of programs on a seasonal and/or yearly basis, depending on funding.

The federal government funds two major low-income energy assistance programs, the Low-Income Home Energy Assistance Program (LIHEAP) and the Weatherization Assistance Program (WAP). Administered by the federal Department of Health and Human Services (DHHS), LIHEAP provides either financial assistance and/or weatherization and energy efficiency measures to help mitigate the costs of heating and cooling for low-income individuals. The Weatherization Assistance Program (WAP) is administered by the Department of Energy and provides weatherization services to reduce the heating and cooling costs for low-income individuals on a permanent basis. All fifty states participate in LIHEAP and WAP, but specific program offerings vary for each state.

In addition to variations between programmatic offerings, funding levels for these programs also vary among states. LIHEAP and WAP are funded by the federal budget, yet each state receives different allotments and funding levels per year. LIHEAP receives approximately \$1 billion per year, while WAP receives about \$200 million per year from the Department of Energy.<sup>77,78</sup> In 2002, an estimated 186,000 homes of low-income families were weatherized across the country from a combination of DOE, LIHEAP, and state/utility level funding sources, totaling \$555,617,616.<sup>79</sup> Of this total, the Department of Energy contributed the majority of funding of about \$200 million and weatherized an estimated 86,726 homes. LIHEAP funds helped to weatherize about 64,867 homes, while another 32,853 homes were weatherized based on state/utility funding sources.<sup>80</sup>

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<sup>77</sup> National Consumer Law Center, *Access to Utility Service* (2d ed. 2001) LIHEAP figure from page 254.

<sup>78</sup> WAP figure includes funding from 4 sources: US Department of Energy (DOE) WAP, the US Department of Health and Human Services LIHEAP, settlements from Petroleum Violation Escrow cases, and other funds from utilities, states, and property owners.

<sup>79</sup> National Association for State Community Services Programs, “*Weatherization Assistance Program PY 2000 Funding Survey*,” US Department of Energy Weatherization Assistance Program, Washington, DC. page 2.

<sup>80</sup> *Ibid.* page 5.

## **Non-Federal Low-Income Energy Assistance Programs**

Some states set aside additional funding mechanisms to supplement LIHEAP and WAP or to support separate state level low-income energy assistance programs. Other major types of low-income energy assistance programs include those that are funded by utility rate-payer funds, private funds which include fuel funds, church, charitable and community contributions, non-regulated bulk fuel vendor contributions and miscellaneous resources.<sup>81</sup> However, not all states provide supplemental energy assistance programs.

### **Challenges to Program Participation**

Like other public assistance programs, however, low-income assistance programs rarely reach the majority of eligible individuals. Some providers attribute this challenge to the general hard-to-reach nature of low-income populations. “(A)lmost by definition, poor and elderly persons are likely to be less able than others to cope with their situations, seek help when it is needed, or respond to programs of assistance when these are made available.”<sup>82</sup> In addition, participation levels vary amongst different racial/ethnic groups who contend with additional obstacles that make it more difficult for communities of color, particularly Latino and immigrant communities, to participate in these programs and access their benefits.<sup>83</sup> Language barriers, immigration status, and basic lack of information regarding low-income energy assistance programs pose significant challenges to participation. “Suspicion of the system, fear of deportation for undocumented immigrants and reports of unpleasant experiences in social service agencies may also contribute to the lower enrollment of Latino families in these programs.”<sup>84</sup> Traditional marketing and outreach methods such as English-only bill inserts do not take these factors into account and fail to reach these hard-to-reach populations. As a result, many communities are simply not aware that these programs exist and that they qualify to receive these benefits. For the above reasons, social marketing and outreach that targets ‘hard-to-reach’ communities through non-traditional marketing methods is considered a factor when determining which energy programs best meet the needs of low-income and Latino communities.

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<sup>81</sup> Definition of supplemental LIHEAP and low-income energy efficiency resources from National Center for Appropriate Technology’s (NCAT’s) LIHEAP Clearinghouse, as listed on page 563 of NCLC’s Access to Utility Service. (2d ed. 2001).

<sup>82</sup> Colton, Roger, “*Nonparticipation in Public Benefit Programs: Lessons for Energy Assistance*,” Fisher, Sheehan, and Colton, Cambridge, MA, November 1998, page 1. Quote attributed to an “Ohio reviewer of a variety of energy assistance programs.”

<sup>83</sup> Wanert, Jeannette, “*UC Study Reveals Some Low-income Families Aren’t Getting Services Intended to Help Them*,” UC in the Valley, September 2002. and PG&E’s 14<sup>th</sup> Annual CARE Progress Report to the California Public Utilities Commission.

Limited funding levels, however, serve as the greatest and most basic impediment in reaching 100% of those eligible for low-income energy assistance programs. Many times, for instance, LIHEAP and WAP funding runs out in a matter of months, well before the majority of the eligible population, particularly the hardest to reach, have the opportunity to enroll.

The sections below explore specific low-income energy assistance program offerings and whether these programs best meet the needs of low-income and Latino communities in California and New Mexico. (Non-low-income energy efficiency programs are briefly discussed as well).

## ENERGY PROGRAMS IN CALIFORNIA

California provides some of the most expansive state level energy efficiency and low-income energy assistance programs in the country. These programs played a critical role in mitigating the energy crisis in 2001. Termed as “the most aggressive and comprehensive energy conservation and energy efficiency effort in the history of (California),” a comprehensive energy efficiency and low-income energy assistance program led to a 6% decline in energy consumption between 2000 and 2001, while protecting low-income consumers against increasing rates.<sup>85</sup> Energy efficiency programs have long played a key role in reducing electricity consumption in California. Prior to the energy crisis, “California’s per capita electricity use was already 40 percent lower than the rest of the nation’s.”<sup>86</sup> As a result, Californians have avoided the construction of the equivalent of 20 large power plants over the past thirty years.<sup>87</sup> Energy efficiency programs are slated to receive a total of \$573.2 million for FY 2004 and FY 2005.

With about 4.9 million individuals living below the federal poverty line, many people, particularly communities of color, in California face extremely high energy burdens.<sup>88</sup> The recent energy price increases experienced during the Energy Crisis severely exacerbated the already high energy burdens facing the low-income, including the working poor and those on fixed incomes.<sup>89</sup> California offers a variety of federal, state, and utility-level low-income energy assistance programs to assist low-income families meet these challenges. (Table 6).

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<sup>84</sup> Wanert, Jeannette, “*UC Study Reveals Some Low-income Families Aren’t Getting Services Intended to Help Them*,” UC in the Valley, September 2002.

<sup>85</sup> Bachrach, Devra, “*Energy Efficiency Leadership in California: Preventing the Next Crisis*,” Natural Resources Defense Council and Silicon Valley Manufacturing Group, San Francisco, CA, April 2003. page 5.

<sup>86</sup> Ibid, page 1.

<sup>87</sup> Ibid, page 14.

<sup>88</sup> US Census Bureau, Housing and Household Economics Statistics Division, “County Estimates for People of All Ages in Poverty for California: 1998,” December 2001.

<sup>89</sup> The Energy Crisis refers to the almost cataclysmic energy costs and ensuing rolling blackouts which affected Californians during late 2000 through 2001.



Table 6.

LOW-INCOME ENERGY ASSISTANCE PROGRAMS IN CALIFORNIA					
	FEDERAL PROGRAMS		STATE LEVEL PROGRAMS		
Programs	LIHEAP	WAP	LIEE	CARE	Voluntary
Program Oversight (Federal/State)	US HHS	US DOE	CPUC	CPUC	
Program Admin. (State/IOUs)	CSD	CSD	IOUs	IOUs	IOUs
Local Admin. Program Delivery	47 Community Action Agencies	47 Community Action Agencies	Private Contractors & Network of Direct Service Providers	Private Contractors & Network of Direct Service Providers	Include voluntary donations from Salvation Army, Churches, Utility employees
Funding Levels	\$80.6 million (2003)	\$3.7 million (2000)	\$122 million (est. 2002)	\$282.9 million (2002)	\$5.8 million (2002)
Participation Levels	106,917 (2002)	3,028 (2000)	123,200 (est. 2002)	2.1 million (Dec. 2002)	*
Penetration Rates	3%	*	*	79.3%	*

Sources: National Center for Appropriate Technology, California Public Utilities Commission

\* Figures are almost negligible or not available.

### Federal Low-Income Energy Assistance Programs

California receives federal funding for both LIHEAP and WAP which are administered by California's Department of Community Services and Development (CSD). CSD's network of 47 community based organizations provide LIHEAP and WAP services throughout the state's 58 counties. In 2003, California received a total of \$80,557,702 for LIHEAP and served 106,917 households in 2002.<sup>90</sup> This figure represents roughly 3% of the approximately 3.5 million households that are eligible for LIHEAP. California received \$3.7 million to weatherize 3,028 homes from DOE WAP funding sources and weatherized "an additional 16,000 homes with other

<sup>90</sup> National Energy Affordability and Accessibility Project, "California: FY 2003 Low-Income Energy Programs," National Energy and Affordability and Accessibility Project, National Center for Appropriate Technology, U.S. Department of Health and Human Services. [neap.ncat.org/programs/lowincome/ca-li.htm](http://neap.ncat.org/programs/lowincome/ca-li.htm)



federal and leveraged funds during 2000.”<sup>91</sup> However, as described by Dr. Margaret Power, a national low-income energy expert, “California receives a low share of the federal block grant resources when measured against its eligible population; although the current (FY 2001) federal LIHEAP Block Grant is nearly double its past level in FY 2000, California’s share is now the equivalent of about \$29 per eligible family, compared to \$169 for New York.”<sup>92</sup> While providing vital services to low-income communities in California, federal low-income energy assistance programs alone cannot assist the majority of eligible Californians.

**State Low-Income Energy Assistance Programs**

California provides utility low-income energy rate assistance and energy efficiency programs, the California Alternative Rate for Energy (CARE) and Low-Income Energy Efficiency (LIEE), respectively, which significantly surpass LIHEAP and WAP funding levels.<sup>93</sup> The Low-Income Energy Efficiency (LIEE) program provides a range of weatherization measures, energy education and energy efficient appliances to low-income customers of investor owned utilities who earn incomes 175% (for customers below 60 years of age) and 200% below the federal poverty line (for customers aged 60 and over):<sup>94</sup>

Table 7.

Number of People Living in Household	If the head of household is less than 60 years of age and not disabled, total household income before taxes cannot exceed:	If the head of household is at least 60 years of age or is disabled, total household income before taxes cannot exceed:
1 or 2	\$22,000	\$25,200
3	\$25,900	\$29,600
4	\$31,100	\$35,600
If greater than 4, add the following amount per person	\$5,200	\$6,000

Source: California Public Utilities Commission

In response to the energy crisis, the Legislature passed an \$850 million electric conservation bill which also included additional funding for CARE and LIEE. As a response, the CPUC created a rapid deployment program for “low-income assistance programs during the energy crisis” which

<sup>91</sup> Weatherization Assistance Program, “*Weatherization Shines in California*,” US Department of Energy, Washington, DC, October 2002.

<sup>92</sup> Dr. Margaret Power, “*Declaration of Dr. Margaret Powers: The Impact of Energy Costs on California*,” Washington, DC, February 13, 2001.

<sup>93</sup> The four largest investor-owned utilities (IOUs) in California are Pacific Gas & Electric (PG&E), Southern California Edison (Edison), Southern California Gas (SoCal Gas), and San Diego Gas & Electric (SDG&E).

<sup>94</sup> LIEE Energy Efficiency Measures include: weatherstripping, attic insulation, CFL’s, caulking, energy efficient showerheads, waterheater blankets, furnace filters, faucet aerators, evaporative cooler covers, attic venting, water heater pipe wrap, utility gaskets, attic access weatherstripping, and minor home repair.

enhanced both LIEE and CARE.<sup>95</sup> CPUC decision (D.) 01-05-033 expanded LIEE in the following ways: renters became eligible for most measures (except furnace repair and replacement); new measures and services were added to LIEE; and LIEE funds were allowed to leverage programs with the LIHEAP Network. Table 8 exhibits LIEE spending levels and homes served between January and August, 2003.

Table 8.

LIEE Expenses	Statewide Total
<b>Total Costs (January – August, 2003)</b>	\$36,567,689
<b>Percent of Budget (January – August, 2003)</b>	34%
LIEE Measure Installations (January – August, 2003)	Statewide Total
Homes Weatherized	54,289
Homes Treated	81,602

Source: California Public Utilities Commission

In 2001-2002, a total of \$56 million was invested in low-income energy efficiency measures. A total budget of \$124,397,735 has been set aside for FY 2003 Low-Income Energy Efficiency programs, but as of August 31, 2003, only 34%, or \$36,567,689 had been spent which translates into about 54,289 homes that had been weatherized and 81,602 homes that had been treated, as documented above.

Through the California Alternative Rate for Energy (CARE), low-income customers of investor-owned utilities who are 175% below the federal poverty levels are eligible to receive a 20% discount on their monthly energy bills through a self-certified application (Table 9).<sup>96</sup>

Table 9.

Number of People Living in Household	CARE Income Limits: (Effective June 1, 2003 to May 1, 2004)
1 or 2	\$23,000
3	\$27,000
4	\$32,500
5	\$38,000
6	\$43,400
For each additional household member, add	\$5,500

Source: California Public Utilities Commission

<sup>95</sup> CPUC, Decision 01-05-033, May 3, 2001, “Interim Opinion: Rapid Deployment of Low-Income Assistance Programs During the Energy Crisis,” page 1.

<sup>96</sup> The CPUC increased CARE discount rates from 15% to 20% in June of 2001.

In response to the Energy Crisis, regulatory decisions also expanded funding levels for CARE. (Table 10). In 2001, a total of \$240,897,127 was invested in CARE.<sup>97</sup>

Table 10.

Annual CARE Expenses	Statewide Total
2000	\$138,145,724
2001	\$240,897,127
2002	\$282,949,842
2003 (YTD, January – August, 2003)	\$170,871,367
CARE Enrollment as of:	Statewide Total
December 31, 2000	1,679,710
December 31, 2001	2,190,995
December 31, 2002	2,510,146
YTD (January – August), 2003	2,801,042
Statewide Eligible CARE participants Based on YTD CARE Participants (January – August, 2003)	Statewide CARE Penetration Rate Based on YTD CARE Participants (January – August, 2003)
4,115,474	68%

Source: California Public Utilities Commission

By the end of 2002, approximately 2.6 million, or 76.3% of the 3.4 million CARE eligible households in California, were receiving CARE.<sup>98</sup> In 2003, average CARE penetration rates are approximately 68%. CARE has no funding caps as it is mandated to serve 100% of those eligible. In addition, CARE participants were not affected by rising energy rates, as they were exempt from rate increases based on a CPUC ruling in June 2001.

With funding levels far exceeding federal LIHEAP and WAP allotments, CARE has proven to be an effective tool in mitigating the energy-burdens confronting low-income Californians. In her declaration to the CPUC, Dr. Margaret Power comments on the efficacy of CARE and the justification for increased discounts rates for residential consumers, “CARE has helped lower the burden of energy costs, but these still remain very high.... The poor can only meet energy bills that are genuinely affordable, and deeper discounts are essential to achieving such a level of expenditure.”<sup>99</sup>

Recognizing the need to engage in non-traditional marketing and outreach strategies in order to reach its geographically and ethnically diverse residential customers, in 2000, the CPUC required the utilities to initiate a CARE pilot program that utilized community based organizations to

<sup>97</sup> California Public Utilities Commission, Energy Division CARE and LIEE Rapid Deployment Report, September 12, 2003.

<sup>98</sup> Figure based on compilation of CARE participation and eligibility rates as reported in each utilities’ respective “14<sup>th</sup> Annual Progress Report on the California Alternative Rate for Electricity, January 2002 – December 2002,” May 1, 2003.

<sup>99</sup> Dr. Margaret Power, “Declaration of Dr. Margaret Powers: The Impact of Energy Costs on California,” Washington, DC, February 13, 2001.

promote and enroll qualified low-income utility customers. According to a PG&E representative, “(l)ow-income market sector requires innovative outreach and coordination efforts: multiple languages and cultures; leveraging, partnering with community-based organizations; and user-friendly paper-work.”<sup>100</sup> The CPUC decision regarding the rapid deployment of CARE and LIEE highlighted the need for additional non-traditional outreach activities and set aside funding for these activities, including capitation fees for non-profit organizations enrolling CARE customers. Subsequent legislation, SBX2 2, signed into law by Governor Davis on October 8, 2001, requires “the Commission (to) take certain steps to improve CARE enrollment and participation.”<sup>101</sup> These initiatives have resulted in higher CARE penetration rates, and in their 2002 annual CARE progress reports to the CPUC, the utilities reported historically high CARE penetration rates that resulted directly from enhanced outreach activities focusing on their diverse consumers.

In sum, the specific energy programs geared towards low-income communities demonstrate both financial and regulatory support while also addressing the needs of Latino and other ‘hard-to-reach’ energy consumers. As a result of recent improvements to low-income energy programs made during and after the throes of an energy crisis, penetration levels for California’s low-income energy programs have risen dramatically. For these reasons, California’s low-income energy programs meet the criterion for best meeting the needs of low-income and Latino communities in that state.

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<sup>100</sup> O’Drain, Mary, PG&E, “The 2001 ‘Rapid Deployment’ Low-Income Energy Efficiency Programs in California: Results and Lessons Learned,” presented at ACEE Energy Efficiency and Reliability Conference, October 30, 2001.

<sup>101</sup> CPUC, Decision 02-07-033, July 17, 2002, “Interim Decision: Status Deployment, CARE Penetration Goals, Automatic Enrollment and Related Program Planning Issues.”

## ENERGY PROGRAMS IN NEW MEXICO

One of the poorest states in the U.S., with about 18.4% of its 1.8 million residents living below the federal poverty line, many families, particularly Latino and Native American, in New Mexico face extremely high energy burdens. Currently, New Mexico provides low-income energy efficiency and rate assistance programs through federal LIHEAP and WAP, as well as voluntary rate-payer sponsored programs. While the state legislature allocates about \$500,000 per year (in addition to a one-time allotment of \$2 million of state funds in 2001) to supplement LIHEAP and WAP, New Mexico does not offer supplemental utility low-income energy assistance programs. Although recently enacting a renewable portfolio standard and voluntary green pricing rule, New Mexico also does not provide state-mandated utility energy efficiency programs. As a result, New Mexico offers the least comprehensive energy efficiency and low-income energy assistance programs compared to its neighbors in the Southwest. (Table 11).

Table 11.

<b>LOW-INCOME ENERGY ASSISTANCE PROGRAMS IN NEW MEXICO</b>			
<b>Programs</b>	<b>LIHEAP</b>	<b>WAP</b>	<b>Voluntary</b>
<b>State Agency Program Admin.</b>	New Mexico Human Services Division	New Mexico Mortgage Finance Authority	IOUs <sup>102</sup>
<b>Local Admin. Program Delivery</b>	8 community action agencies	2 non-profit organizations	Includes voluntary donations from Churches and utility employees
<b>Funding Levels</b>	\$7 million (2002)	\$2.5 million (2001)	\$3,740 (2002)
<b>Participation Levels</b>	50,669 (2002)	1,896 (2001)	*
<b>Penetration Rates</b>	27%	*	*

Sources: National Center for Appropriate Technology, New Mexico Mortgage Finance Authority

\* Figures are almost negligible or not available.

<sup>102</sup> According to EMNRD's 2002 Annual Report, four investor owned utilities (IOUs) serve 70% of New Mexico's energy consumers: Public Service Company of New Mexico (PNM) Southwester Public Service Company, El Paso Electric Company, and Texas-New Mexico Power Company. Rural electric cooperatives provide service to 22% and municipal utilities provide service to 8% of New Mexican energy consumers.

### **Federal Low-Income Energy Assistance Programs**

The New Mexico Human Services Department administers the Low-Income Home Energy Assistance Program, and nine community development corporations (CDCs) serve as LIHEAP direct service providers for the state's 33 counties. In FY 2001 (October 1 – August 31), a total of 40,618 LIHEAP applications were approved, but funds were exhausted by April 17<sup>th</sup> of that year.<sup>103</sup> For FY 2002, \$7 million helped to assist 50,669 individuals. The New Mexico Human Services Department has received \$3.3 million to support LIHEAP for FY 2003 and, as of the beginning of November, has received 11,344 applications, “up 6 percent from the number of applications approved at this time last year.”<sup>104</sup> New Mexico stands to receive another \$11.7 million should Congress pass additional monies for LIHEAP due to harsh winter forecasts. With the number of total LIHEAP eligible households hovering at around 190,000, New Mexico's LIHEAP reached approximately of 27% of its total eligible population in 2002.<sup>105</sup> Additional funding would help to improve penetration rates.

The New Mexico Mortgage Finance Authority serves as the program administrator for New Mexico's Weatherization Assistance Program. Two non-profit organizations, El Paisano Educational Resource Center and the Community Action Agency of Southern New Mexico, serve as subgrantees and provide weatherization services to the program's four designated areas.<sup>106</sup> El Paisano Educational Resource Center serves the Central Counties and West/Northern Counties, while the Community Action Agency of Southern New Mexico serves the Eastern Counties and Southern Counties.

New Mexico received a total of \$2,486,604 towards weatherization activities from LIHEAP, WAP, including \$400,000 in state resources, between July 1, 2001 through June 30, 2002.<sup>107</sup> According to New Mexico's State Application for the Weatherization Assistance Program, “the number of households eligible for WAP assistance easily surpasses the 100,000 mark.”<sup>108</sup> El Paisano Educational Resource Center and the Community Action Agency of Southern New Mexico weatherized a total of 1,896 homes throughout their respective service territories between July 1,

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<sup>103</sup> New Mexico LIHEAP figure provided by the Loretta Williams, Director of New Mexico's LIHEAP personal communication.

<sup>104</sup> Shingler, Dan, “*State Wants to Help Needy New Mexicans Pay Heat Bills*,” Albuquerque Tribune. November 5, 2003.

<sup>105</sup> 27% penetration rate based on 2002 LIHEAP funding and participation levels.

<sup>106</sup> New Mexico Mortgage Finance Authority, “*Section 3 of New Mexico's Weatherization Assistance Program Application Package, Program Year 2003*,” March 3, 2003. page 7.

<sup>107</sup> New Mexico Mortgage Finance Authority, “*State of New Mexico: 2002 Annual Performance Report*,” Albuquerque, NM. April 2002. page 7.

<sup>108</sup> New Mexico Mortgage Finance Authority, “*Section 3 of New Mexico's Weatherization Assistance Program Application Package, Program Year 2003*,” March 3, 2003. page 1.

2001 and June 30, 2002.<sup>109</sup> This figure represents only a small fraction of those eligible for weatherization services and points to the vast disparity between available funding and total eligible populations.

Although LIHEAP and WAP applications are available in both English and Spanish, the minimal funding available for New Mexico's low-income energy assistance programs inhibits expanded outreach efforts to address the increased difficulty in reaching New Mexico's energy consumers, given their rural and diverse characteristics.

New Mexico does offer additional low-income energy assistance through voluntary rate-payer based and church based funding sources. The Public Service Company of New Mexico's Good Neighbor Fund which is administered by the Salvation Army and the church-based St. Vincent de Paul's are the best known of these programs.

In 1999, with the passage of electric restructuring legislation (SB 428), the legislature also created a utility rate-payer funded energy efficiency and low-income energy assistance program funded through a systems benefit charge of \$.03/kWh. The low-income assistance portion of the public benefits section included two parts, \$500,000 to fund low-income energy assistance and \$4 million "for renewable energy and transmission lines in low-income areas with little or no electrical service."<sup>110</sup> However, as support for electric restructuring waned given California's energy crisis, the New Mexico legislature voted to repeal the original electric restructuring legislation, including funding for energy efficiency and low-income energy programs. Given the high levels of poverty in New Mexico, even with the additional monies that would have been provided by the Electric Restructuring Act of 1999, low-income energy assistance programs have a long way to go before reaching the majority of eligible households.

While LIHEAP and WAP provide a vital service to New Mexico's low-income families, the relatively low funding and penetration levels combined with a lack of state supplemental energy assistance programs impede New Mexico from best meeting the needs of its low-income and Latino communities.

The next chapter explores community-based advocacy in California and New Mexico in order to gauge the relationship between program offerings and advocacy efforts.

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<sup>109</sup> New Mexico Mortgage Finance Authority, "State of New Mexico: 2002 Annual Performance Report," Albuquerque, NM, April 2002. page 7.

<sup>110</sup> New Mexico Department of Energy, Minerals and Natural Resources, "New Mexico's Natural Resources: Data and Statistics for 2001," Santa Fe, NM, December 2002. Page 54.



## CHAPTER 4: COMMUNITY-BASED ENERGY ADVOCACY IN CALIFORNIA AND NEW MEXICO

The disparate energy programs in California and New Mexico coincide with two contrasting energy advocacy approaches. In particular, this chapter demonstrates how, in California, sustained and organized community-based energy advocacy has yielded substantial gains for low-income and Latino communities. Alternatively, although compelling examples of energy advocacy exist in New Mexico, an organized community-based energy advocacy movement that embraces both environmental as well as economic energy-related issues has yet to materialize.

### CALIFORNIA COMMUNITY-BASED ADVOCACY OVERVIEW

As discussed in Chapter 3, California offers federal, state, and utility level low-income energy programs well in excess of \$300 million per year, with participation/penetration rates ranging from a low of 3% to a high of 75%. Most of the accomplishments in energy programs and policies in California resulted directly from developed, comprehensive community-based advocacy that prioritizes the needs of low-income and Latino communities. Prior to discussing examples of energy advocacy in California, an overview of key energy decision-making entities as well as pertinent decisions and legislation affecting energy efficiency and low-income energy assistance programs is provided.

#### **Overview of Key Energy Entities and Decision-Makers in California**

Table 12 (opposite) highlights the state's energy related agencies and their respective responsibilities. Compiled by the Legislative Analysts' Office in 2002, this table lists the main activities that these agencies are responsible for, including energy efficiency and power plant siting.<sup>111</sup>

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<sup>111</sup> Legislative Analyst's Office, "*The 2002-03 Budget Bill: Perspectives and Issues – Reorganizing California's Energy-Related Activities*," California State Legislature, February 2002.



Table 12.

CALIFORNIA'S ENERGY-RELATED AGENCIES: SELECTED ACTIVITIES AND RESPONSIBILITIES							
	CALIFORNIA ENERGY COMMISSION	CALIFORNIA PUBLIC UTILITIES COMMISSION	ELECTRICITY OVERSIGHT BOARD	CALIFORNIA POWER AUTHORITY	CALIFORNIA ENERGY RESOURCES SCHEDULING	DIVISION OF OIL, GAS, & GEOTHERMAL RESOURCES	INDEPENDENT SYSTEM OPERATOR
Activities/ Responsibilities	CEC	CPUC	EOB	CPA	CERS	DOGGR	ISO <sup>a</sup>
Representing state at FERC <sup>b</sup>		X	X		X		
Promoting energy conservation/ efficiency	X	X		X			
Forecasting electricity demand	X	X			X		X
Licensing generators	X					X	
Promoting renewable resources	X			X	X		
Planning natural gas infrastructure	X	X		X			
Planning transmission infrastructure	X	X	X	X			X
Conducting integrated resource planning	X	X		X			
Monitoring the electricity market		X	X				
Monitoring/ planning system reliability		X	X				X
<sup>a</sup> The ISO is not considered a state agency. <sup>b</sup> Federal Energy Regulatory Commission.							

Source: California Legislative Analyst's Office, 2002

Entities responsible for the oversight, administration, and program delivery of low-income energy assistance programs are listed in Table 13, below.

Table 13.

LOW-INCOME ENERGY ASSISTANCE PROGRAMS IN CALIFORNIA					
Programs	LIHEAP	WAP	LIEE	CARE	Voluntary
Program Oversight (Federal/State)	US HHS	US DOE	CPUC	CPUC	
Program Admin. (State/IOUs)	CSD	CSD	IOUs	IOUs	IOUs
Local Admin. Program Delivery	47 Community Action Agencies	47 Community Action Agencies	Private Contractors & Network of Direct Service Providers	Private Contractors & Network of Direct Service Providers	include Salvation Army, Churches, United Way

Source: California Department of Community Services and Development and California Public Utilities Commission

As exhibited in the tables above, a myriad of entities monitor or oversee various aspects of the state's expansive energy policies and programs. For purposes of this thesis, however, I am focusing on those agencies responsible for low-income energy assistance programs (both federally and state funded), as well as energy efficiency and power plant sitings, namely the California State Legislature, California Energy Commission (CEC), California Public Utilities Commission (CPUC), and California Power Authority (CPA).<sup>112</sup>

### Federal Low-Income Energy Assistance Programs, LIHEAP AND WAP

At the federal level, the US Congress and the Administration determine the fate of LIHEAP and WAP and the amount of funding that each program receives per year. Funding is influenced by political climates and under the Bush administration has faced uphill political battles each year. But LIHEAP and WAP advocacy has prevailed and funding levels have increased in the past few years. Once overall funding levels have been established, individual state allotments are subsequently derived from funding allocation formulas. The United States Department of Human Health and Services provides the federal oversight for LIHEAP which is administered by California's

<sup>112</sup> According to the Legislative Analyst's Office Report, the Electricity Oversight Board (EOB) monitors the state's electricity market. The CA Energy Resources Scheduling (CERS) division w/in the Department of Water Resources (DWR) purchases electricity for the state on behalf of the state's IOUs. The Division of Oil, Gas, & Geothermal Resources (DOGGR) w/in the Dept. of Conservation (DOC) oversees oil-drilling and other energy regulatory activities. The CA Independent System Operator (ISO) is not a state agency but oversees the deregulated electricity market.

Department of Community Services and Development (CSD). The United States Department of Energy provides the federal oversight for WAP which is also administered by CSD.

CSD administers approximately \$80 million in LIHEAP and WAP monies and oversees a total of 47 community action agencies that serve as direct service providers. CSD submits a yearly LIHEAP application as well as leveraging reports to the US Department of Housing and Human Services. A yearly WAP application is submitted to the US Department of Energy. CSD and its 47 community action agencies incorporate non-traditional outreach activities in order to reach vulnerable low-income consumers and engage in extensive leveraging activities with the state's other low-income energy offerings. As a result, California has consistently been awarded incentive awards for successfully leveraging activities with the state's other low-income energy programs. In 2001, the federal government awarded California approximately \$2.5 million "the highest incentive grant given to any state, for efficiently leveraging federal dollars to help California's low-income through LIHEAP."<sup>113</sup>

### **State-Funded Energy Programs**

State-funded energy programs in California receive significant funding, far outpacing federal funding levels. In California, with annual budgets far exceeding \$200,000,000, CARE and LIEE, receive significantly higher levels of funding than federal LIHEAP and WAP which receive less than \$100 million combined per year. Utility energy efficiency programs are slated to receive a total of \$573.2 million for both 2004 and 2005 program years.<sup>114</sup> The state legislature and the CPUC establish policies affecting energy efficiency, CARE, and LIEE programs, including funding levels. A description of these regulatory agencies as well as decisions and legislation relating to low-income and Latino communities, in particular, are discussed below.<sup>115</sup>

### **California Government:**

Composed of the Assembly and Senate, California's State Legislature enacts the state's overall energy policy, along with the oversight of the Governor. The Senate and Assembly each have committees dedicated to energy-related issues. The Senate Energy, Utilities and Communications Committee is composed of 9 Senators and is responsible for "bills relating to utilities, energy companies, alternative energy development and conservation, and communications

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<sup>113</sup> Press Release, "Governor Davis Announces \$2.48 million in LIHEAP: Federal Government Awards California Largest in Nation." August 17, 2001.

<sup>114</sup> California Public Utilities Commission, Draft Decision, "Interim Opinion Adopting Funding for 2004-05 Energy Efficiency Programs and Studies," R. 01-08-028, November 18, 2003.

<sup>115</sup> Legislation and CPUC decisions that directly mention low-income and communities of color/Latinos are referred to as "Community Energy Related Legislation" and "Community Energy Related CPUC Decisions" in the tables below.

development and technology.” The Assembly Utility and Commerce Committee has 14 members and is responsible for energy-related legislation. Energy-related legislation is implemented by the CEC or CPUC which are discussed below.

While Governor Davis supported energy efficiency, conservation, and low-income energy programs, Governor Schwarzenegger may not be as supportive and has indicated sidestepping the Legislature and utilizing California’s ballot process in order to promote policies not supported by the Democrat-controlled Legislature.

The following table (Table 14) highlights some key community energy related legislation passed between 1996 and 2002.

Table 14.

COMMUNITY ENERGY RELATED LEGISLATION IN CA		
Legislation	Author/ Sponsor	Community Energy Aspect of Bill
AB 1890 1996-1997	Peace	<ul style="list-style-type: none"> <li>Continued Public Purpose Programs, including low-income energy assistance programs, under electric restructuring</li> </ul>
AB 29X 2000-2001	Kehoe	<ul style="list-style-type: none"> <li>Creation of Mobile Energy Efficiency Brigade to expand current energy-efficiency and rehabilitation programs for low-income residents and small businesses. \$20 million grant/loan program focused on energy-efficiency lighting devices.</li> </ul>
AB 1002 2000-2001	Wright	<ul style="list-style-type: none"> <li>Natural gas surcharge extended indefinitely for low-income assistance, cost-effective energy efficiency and conservation activities and public interest R&amp;D.</li> </ul>
SB 477 1996-1997	Peace	<ul style="list-style-type: none"> <li>Continued and expanded consumer protections in newly restructured electric industry</li> </ul>
SB 2X* 2000-2001	Alarcon	<ul style="list-style-type: none"> <li>Created Low-Income Oversight Board and allowed for consideration of expanding CARE discount rate</li> <li>Includes language concerning low-income</li> </ul>
SB 5X 2000-2001	Sher	<ul style="list-style-type: none"> <li>\$100 million in state funds to augment the CARE program, previously funded only from ratepayer surcharges.</li> <li>\$120 million to CSD to supplement assistance under LIHEAP.</li> <li>\$40 million (reduced from \$60 million by governor's line-item veto) for energy efficiencies and low-income assistance in services areas of public utilities (as opposed to households served by investor-owned utilities).</li> <li>\$45 million to augment weatherization funding or other energy-efficient measures to assist low-income energy users enrolled in the Low-Income Energy Efficiency (LIEE) program. The CPUC states that, from SB 5X allocations, it is directing to the LIEE program amounts of \$20 million and \$25 million from separate sections of the bill.<sup>116</sup></li> </ul>
SB 995 2001-2002	Wright	<ul style="list-style-type: none"> <li>“(E)xtended the public purpose funding from 2002 through Dec. 31, 2011, authorizing \$5 billion for” energy efficiency, low-income services, renewable energy and energy-related research and development public purpose programs.</li> </ul>

Sources: California State Legislature, Senate Office of Research

### California Public Utilities Commission (CPUC):

The California Public Utilities Commission (CPUC) serves as the state's main regulatory agency, providing oversight in the following areas: telecommunications, electric, natural gas, water,

\* The Senate Rules Committee Analysis of SB 2X listed a total of 23 organizations (representing a range of interests and communities such as religious/faith-based, multi-ethnic chambers of commerce, senior citizens, non-profits, community action agencies, to name but a few) as supporting the bill.

<sup>116</sup> California Senate Office of Research, “*Implications of the Energy Crisis for Low-Income Households in California*,” Sacramento, CA. May 8, 2001.

<http://www.sen.ca.gov/sor/policy/energy/lowincomeupdated.htm#Part1>

and transportation, household goods movers, and industries.<sup>117</sup> Headed by five Governor-appointed Commissioners, the CPUC is charged with setting utility rates and overseeing utility ratepayer based energy efficiency and low-income energy assistance programs.<sup>118</sup> The CPUC's Energy Division advises and supports the Commissioners as well as other departments within the CPUC with respect to energy-related issues.

Through various proceedings at the CPUC, low-income and community advocates as well as other stakeholders may provide comments and (perhaps) influence the Commission's decisions regarding these programs and accompanying policies.<sup>119</sup> Under California public utility code sections 1801-1812, the state of California provides intervenor compensation in order to enable utility consumers, including low-income and non-profit organizations, that would otherwise not have the necessary financial resources to participate in CPUC proceedings.<sup>120,121</sup>

Housed within the CPUC (but not governed by it), the Office of Ratepayer Advocates (ORA) is mandated to advocate for ratepayers and "obtain the lowest possible rate for service consistent with reliable and safe service levels."<sup>122</sup> The ORA participates in low-income energy proceedings at the CPUC.

Established via Senate Bill 2X (Alarcon), the Low-Income Oversight Board (LIOB) advises the CPUC on utility low-income energy assistance programmatic and policy issues and serves as a "liaison for the Commission to low-income ratepayers and their representatives."<sup>123</sup> Composed of nine members representing investor-owned utilities, direct service providers, and low-income communities, a CPUC Commissioner and Governor appointee, and staffed by the CPUC's Energy

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<sup>117</sup> Legislative Analyst's Office, "*The 2002-03 Budget Bill: Perspectives and Issues – Reorganizing California's Energy-Related Activities*," California State Legislature, February 2002.

<sup>118</sup> The CPUC provides oversight to the investor owned utilities' low-income energy assistance programs, specifically Low-Income Energy Efficiency (LIEE) and the California Alternative Rate for Electricity (CARE), as well as their non-low-income energy efficiency programs.

<sup>119</sup> As of August 23, 2001, low-income energy programs and related policy, procedure, and budgetary issues are being addressed in rulemaking R. 01-08-027. Prior to that date, low-income energy issues were dealt with in R. 98-07-037 and A. 00-11-009. Energy efficiency programs are being addressed in R. 01-08-028.

<sup>120</sup> According to Access to Utility Service, intervenor compensation refers to the reimbursement of "funds expended by representatives who successfully intervene in certain types of proceedings" that demonstrate a level of hardship, i.e., financial or lack of adequate representation. Page 235.

<sup>121</sup> In order to receive intervenor compensation, the organization must demonstrate that it significantly influenced the Commission's final decision and include detailed timelines and budgets demonstrating staff time and resources allocated to these proceedings.

<sup>122</sup> California Public Utility Code Section 309.5.

<sup>123</sup> Under SB 2X (Alarcon), the Low-Income Oversight Board replaces the Low-Income Advisory Board, expanding its responsibilities as well as composition of board to enhance institutional (CPUC) support and participation on board; according to the Senate Rules Committee Analysis of SB 2X, September 2001.

Division, the LIOB also provides both technical and community expertise to the CPUC.<sup>124</sup> The Low-Income Oversight Board meets on a monthly basis, providing a public forum in which to hold the utilities, program providers, CPUC and community representatives publicly accountable.<sup>125</sup> The Technical Advisory Committee (TAC) serves as a sub-committee to the LIOB, providing the technical expertise and advice on technical issues such as the standardization of low-income energy efficiency measures across utility territories throughout the state. The LIOB also archives low-income energy related reports, comments, and CPUC decisions and rulings on the LIOB website.

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<sup>124</sup> Current LIOB members are: Maria Juarez, Community Action Partnership Riverside County; Tim Dayonot, Department of Community Services and Development; Alan Woo, Community Action Partnership of Orange County; Yolanda Whiting, Utilities Representative; Ron Garcia, Reliable Energy Management, Inc.; Ortensia Lopez, Low-Income Community Representative; Paul C. White, Low-Income Community Representative; Commissioner Carl Wood, CPUC; Janine L. Scancarelli, Governor's Appointee.

<sup>125</sup> However, due to budgetary issues during the summer, the LIOB has met on a limited basis.

The following table (Table 15) highlights some key community energy related decisions undertaken at the CPUC between 2001 and 2003.

Table 15.

KEY COMMUNITY ENERGY-RELATED DECISIONS AT THE CPUC			
Rulemaking	Decisions	Title	Community Energy Aspect of Decision:
R. 01-08-027	D. 01-05-033	Interim Opinion: Rapid Deployment of Low-Income Assistance Programs During the Energy Crisis	<ul style="list-style-type: none"> <li>▪ Expanded use of LIEE funds for leveraging</li> <li>▪ Instituted additional LIEE measures</li> <li>▪ Increased non-English advertising</li> <li>▪ Instituted capitation fee payments to CBOs (\$12 per customers) for CARE enrollment</li> </ul>
R. 01-08-027	D. 01-06-010	Interim Opinion: Eligibility Criteria & Rate Discount Level for Low-Income Assistance Programs	<ul style="list-style-type: none"> <li>▪ Increased CARE discount from 15-20%</li> <li>▪ Adopted CARE eligibility requirements for gas customers</li> <li>▪ Adopted LIEE eligibility requirements consistent with those for CARE</li> <li>▪ Relaxed CARE eligibility criteria from 150% to 175% of Federal Poverty Guidelines</li> </ul>
R. 01-08-027	D. 02-07-033	Interim Decision: Status of Rapid Deployment, CARE Penetration Goals, Automatic Enrollment & Related Program Planning Issues	<ul style="list-style-type: none"> <li>▪ Further modified rapid deployment strategies</li> <li>▪ Use of 2000 Census data to inform CARE penetration goals</li> <li>▪ Supported automatic enrollment programs</li> <li>▪ Reporting requirements</li> <li>▪ Tracking of customers who are not in CARE</li> <li>▪ Coordination with ULTS programs and LIOB</li> </ul>
R. 01-08-028	Draft Decision	Interim Opinion Adopting Funding for 2004-05 Energy Efficiency Programs & Studies	<ul style="list-style-type: none"> <li>▪ Approves statewide and local energy efficiency programs for IOUs for two year period (2004-2005)</li> <li>▪ Disburses total of \$573.2 million (over both years) to various private, state agencies and organizations and utilities to implement residential, commercial &amp; industrial energy efficiency programs</li> <li>▪ Includes \$41 million to several organizations to undertake statewide marketing &amp; outreach programs including a specific emphasis on different language groups</li> </ul>

Source: California Public Utilities Commission

### California Energy Commission:

Created in 1974 following the energy crisis, the California Energy Commission (CEC) is the main entity responsible for implementing the state's energy policy. Governed by one publicly



selected and four Governor appointed Commissioners, the CEC is responsible for implementing the state's energy policy, including the following main tasks:<sup>126</sup>

- Forecasting future electricity needs and keeping historical energy data.
- Siting and ongoing compliance associated with thermal power plants of 50 megawatts or larger (including natural gas-fired, coal-fired, oil-fired, and nuclear facilities).
- Promoting energy efficiency and conservation.
- Developing alternative energy technologies and supporting renewable energy resources.
- Planning for and directing state response to energy emergencies.

CEC's decisions affect all Californians, but their power plant siting process has particular relevance to communities of color who already suffer from the disproportionate placement of power plants in their neighborhoods. In addition, CEC provides vital information regarding energy consumption and usage. A public advisor also represents members of the public in order to ensure that "the public is adequately represented in all of CEC's decision making activities."<sup>127</sup>

#### **California Power Authority (CPA):**

Formed during the Energy Crisis in 2001, the California Power and Conservation Financing Authority, or simply the California Power Authority (CPA), helps to ensure the adequate supply of electricity for the State. Its main goals are as follows:<sup>128</sup>

- Furnish the citizens of California with reliable, affordable electrical power.
- Ensure sufficient power reserves.
- Assure stability and rationality in California's electricity market.
- Encourage energy efficiency and conservation as well as the use of renewable energy resources.
- Protect public health, welfare and safety.

As a "State financing authority that is entrepreneurial and intended to be self-supporting through its activities," CPA will purchase peak power generators, finance renewables, provide financial incentives for industry to utilize clean energy, and finance the greening of public buildings.

In April and May of 2003, in an unprecedented multi-agency effort, the CPUC, CEC, and CPA adopted the "Joint Energy Action Plan" which articulates steps to ensure energy reliability and

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<sup>126</sup> Description of CEC from Legislative Analyst's Office, "*The 2002-03 Budget Bill: Perspectives and Issues – Reorganizing California's Energy-Related Activities*," California State Legislature, February 2002. page 117.

<sup>127</sup> Legislative Analyst's Office, "*The 2002-03 Budget Bill: Perspectives and Issues – Reorganizing California's Energy-Related Activities*," California State Legislature, February 2002. page 117.

<sup>128</sup> California Power Authority, "Energy Resource Investment Plan – 2003-2004: Stabilizing California's Power Resources-Investing in Our Energy Security," June 27, 2003, page 3.

reasonable market prices. The plan includes goals for increased energy efficiency and renewable energy sources as well as a commitment to protecting low-income and minority communities.

**Assessment of Community-Based Energy Advocacy in California**

It is within this regulatory context in which community-based energy advocacy efforts operate in California. Re-energized by the electric restructuring movement in the early 1990s, community-based energy advocacy in California became reinvigorated and has developed into a comprehensive and sustained movement. An assessment of community-based presence in the regulatory decision-making process reveals that a range of organizations representing low-income and communities of color have become increasingly involved in energy advocacy. These organizations include community action agencies, direct service providers, non-profit public policy, environmental justice, non-profit housing, and health organizations, to name but a few. The range of organizations reflects the ubiquitous nature of energy and how it permeates various facets of our lives, ranging from economic, environmental, housing to health. Table 16 highlights different examples of community-based energy advocacy that these organizations are involved in.

Table 16.

<b>CALIFORNIA ENERGY ADVOCACY</b>	
<b>Elements of Comprehensive Community-Based Energy Agenda</b>	<b>Description of Specific Community Based Energy Advocacy:</b>
<b>Community-Based Participation in the Regulatory Decision-making Process</b>	<ul style="list-style-type: none"> <li>▪ Sponsorship and support for Low-Income Energy and Energy Efficiency Legislation</li> <li>▪ Contribution to CPUC Low-Income Energy and Energy Efficiency regulatory decisions through formal comments and testimony</li> <li>▪ Representation on Low-Income Oversight Board at CPUC</li> </ul>
<b>Constituency and Coalition Building</b>	<ul style="list-style-type: none"> <li>▪ Submission of Joint Comments in CPUC Low-Income Energy regulatory process</li> <li>▪ Participation in Coalitions such as the PG&amp;E/Greenlining Community Coalition</li> <li>▪ Community Protest at the CPUC concerning Energy Crisis</li> <li>▪ Community Energy Education and Outreach to Latino policymakers and community members</li> <li>▪ Meeting with CPUC Commissioners and other decision-makers</li> </ul>
<b>Access to Funding Sources</b>	<ul style="list-style-type: none"> <li>▪ Intervenor compensation for contribution to CPUC decisions</li> <li>▪ Financial Support from private foundations such as the Energy Foundation</li> <li>▪ LIHEAP leveraging monies</li> <li>▪ Utility funding support</li> </ul>
<b>Access to Technical and Legal Expertise</b>	<ul style="list-style-type: none"> <li>▪ Use of national low-income energy experts including Dr. Meg Powers to provide expert testimony</li> </ul>

Some of the main organizations engaged in energy advocacy at the CPUC and/or Legislature include AARP, Bay Area Resources Poverty Council, California/Nevada Community Action Association, Community Resources Project, Inc., Greenaction for Health and Environmental Justice, Latino Issues Forum, Utility Consumer Action Network (UCAN), The East Los Angeles Community Union (TELACU), and The Greenlining Institute (to name but a few). While each of these organizations has contributed significantly to energy advocacy and policies, I am focusing on the work of a partnership between two organizations that have been consistently involved in energy advocacy since the early 1990s, Latino Issues Forum and The Greenlining Institute (LIF/Greenlining). The following section describes how LIF/Greenlining have participated in all the elements of comprehensive community-based energy advocacy.

Latino Issues Forum (LIF), a non-profit public policy institute, focuses on a broad range of issues, with a particular focus on several non-traditional community advocacy issues, ranging from telecommunications deregulation, sustainable development, health, and energy. Partnering with Latino Issues Forum on these issues, the Greenlining Institute (Greenlining) is a non-profit agency focusing on economic development for multi-ethnic communities. Through the Greenlining Coalition, Greenlining represents a powerful and numerous constituency composed of various multi-ethnic communities throughout the state of California.<sup>129</sup>

Led by LIF's senior legal counsel, Susan Brown, Latino Issues Forum and Greenlining have served as a catalyst for community energy advocacy, bringing together diverse stakeholders into the world of energy policy, at the California Public Utilities Commission, at the State Legislature and at the local level as well since the early 1990s. In the early 1990s, fearing that the seemingly unstoppable electric restructuring movement would lead to an onslaught of consumer abuses, similar to those experienced after the deregulation of the telecommunications industry, LIF/Greenlining became involved in energy advocacy at the CPUC, and subsequently at the state

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<sup>129</sup> The Greenlining Coalition consists of the following organizations: Allen Temple Baptist Church; American G.I. Forum; Asian Business Association; Asian Enterprise; Black Business Association; California Coalition of Hispanic Organizations; California Hispanic Chambers of Commerce; California Rural Legal Assistance; Chicano Federation; Chinese for Affirmative Action; Council of Asian American Business Associations; Filipino-American Chamber of Commerce, Los Angeles; Filipino-American Political Association; First AME Church, Los Angeles; Hermandad Mexicana Nacional; Hmong American Political Association; Japan Pacific Resources Network; Latino Business Association; Latino Issues Forum; Mexican-American Grocers Association; Mexican-American Political Association; National Black Chamber of Commerce; National Asian Pacific Publishers Association; Oakland Citizens Committee for Urban Renewal (OCCUR); Phoenix Urban League; San Francisco Black Chamber of Commerce; San Francisco Business and Professional Women; Search to Involve Filipino Americans; Southeast Asian Community Center; TELACU; Vietnamese Community of Orange County, Inc.; West Los Angeles Church of God in Christ; and West Coast Black Publishers.

legislature.<sup>130</sup> As electric restructuring continued to gain political momentum, LIF/Greenlining became the only community-based organizations advocating on behalf of low-income and communities of color for strong consumer protections and for the continuation of public purpose programs, including energy efficiency and low-income energy assistance, at the state legislature as well as at the California Public Utilities Commission.<sup>131</sup>

Some of the major strides accomplished with respect to low-income energy advocacy in California since then have resulted directly from Latino Issues Forum and Greenlining's advocacy efforts at the CPUC, legislature, and utility-specific levels. CPUC decisions awarding LIF/Greenlining intervenor compensation highlight their significant contribution to key energy decisions. As highlighted by the CPUC in D. 03-02-023 which awarded LIF/Greenlining \$74,563.72 for their contributions to D. 01-05-033, "(w)e (CPUC) profited by its (Greenlining/LIF's) participation and comments on issues affecting low-income customers and recognizes its substantial contribution to D. 01-05-033."<sup>132</sup> In D. 03-05-074, the CPUC states that "LIF/GL's participation played a role in our decision to set different penetration rates for the different utilities, assisting us in implementing improved enrollment of the CARE program."<sup>133</sup> Below lists some of Latino Issues Forum's recent accomplishments with respect to CARE and LIEE:

- CARE discount has been raised from 15% to 20% for low-income consumers
- CARE eligibility requirements raised from 150% to 175% of federal poverty guidelines
- CARE to serve 100% of eligible customers who wish to participate
- LIEE to be deployed at levels well above minimum legislative mandates
- Expanded CARE outreach and capitation fees for community based organizations<sup>134</sup>

With respect to the other elements of comprehensive community-based energy advocacy, LIF and Greenlining have engaged in community education through workshops and media and participate in community and utility partnerships such as the PG&E Greenlining Community Partnership. In 2001, they, along with several other community-based organizations, led a community protest at the CPUC in which 350 community-members protested the skyrocketing energy rates. Part of

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<sup>130</sup> Specifically targeted by unscrupulous marketers and with little recourse to protect themselves, low-income and communities of color suffered the most from telecommunication-related consumer abuses.

<sup>131</sup> Figueroa, Roxanne, "*Staying Empowered in a Restructured Electric Industry*," Latino Issues Forum, San Francisco, CA. December 1997.

<sup>132</sup> Decision 03-02-023, California Public Utilities Commission, February 13, 2003, page 7.

<sup>133</sup> Decision 03-05-074, California Public Utilities Commission, May 22, 2003, page 8 which awarded LIF/Greenlining \$37,972.43.

LIF/Greenlining's success is due in large part to their partnerships with many organizations, particularly Natural Resources Defense Council as well as other community-based organizations that provide them with further technical expertise and insight.

In 2002, Latino Issues Forum received significant funding from the Hewlett and Energy Foundations to initiate the Latino Community Energy Partnership (LCEP). Partnering with the Center on Race, Poverty, and the Environment, Communities for a Better Environment, and Environmental Health Coalition to promote sustainable energy policies amongst Latino decision-makers and community members, LCEP represents "a statewide partnership of four organizations dedicated to engaging the under-represented Latino community in decision-making processes regarding energy production in California." LCEP not only confronts the energy-related economic challenges confronting Latino communities but also addresses the environmental challenges posed by the production and increasing consumption of energy. In 2001, Latino Issues Forum released a report that explored and confirmed the relationship between power plant sitings and communities of color entitled, "Power Against the People? Moving Beyond Crisis Planning in California."

With respect to funding, Latino Issues Forum and the Greenlining Institute receive funding from intervenor compensation, private foundations, as well as utilities. LIF/Greenlining have also elicited the expert testimony of community representatives and low-income energy experts such as Dr. Margaret Power which provided a formal declaration to the CPUC, entitled "The Impact of Energy Costs on California," highlighting the economic challenges confronting low-income households during the Energy Crisis.<sup>135</sup>

While LIF/Greenlining have not acted alone and other community-based organizations have contributed significantly to California's energy programs and policies, Latino Issues Forum and Greenlining are amongst the most active and consistent community-based organizations addressing the needs of low-income and communities of color within energy policy.

## **NEW MEXICO COMMUNITY-BASED ENERGY ADVOCACY OVERVIEW**

The lack of state-mandated utility energy efficiency and low-income energy programs exacerbate the environmental and economic energy-related challenges confronting all New Mexicans, particularly low-income and Latino/indigenous communities. This section explores the

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<sup>134</sup> As described in CPUC Decision (D.) 03-02-023, dated February 13, 2003, which awarded \$74,563.72 to Latino Issues Forum and the Greenlining Institute for their contributions to D. 01-05-033 and D. 01-06-010.

<sup>135</sup> Dr. Margaret Power, "Declaration of Dr. Margaret Powers: The Impact of Energy Costs on California," Washington, DC. February 13, 2001.

relationship between advocacy and New Mexico’s less developed energy efficiency and low-income energy assistance programs. While compelling examples of energy advocacy exist, New Mexico’s less expansive energy programs coincide with less comprehensive community-based energy advocacy. Prior to discussing New Mexico’s community-based energy advocacy efforts, the following section examines the regulatory environment which defines New Mexico’s energy efficiency and low-income energy programs.

### Overview of Key Energy Entities and Decision-Makers in New Mexico

The following tables list the main entities involved in the provision of energy efficiency and low-income energy programs in New Mexico. Table 17 lists the state’s main energy agencies and some of their main responsibilities. Table 18 lists the entities involved in the provision of low-income energy assistance programs.

Table 17.

<b>NEW MEXICO’S ENERGY-RELATED AGENCIES: SELECTED ACTIVITIES AND RESPONSIBILITIES</b>			
	<b>NEW MEXICO PUBLIC REGULATORY COMMISSION</b>	<b>NEW MEXICO ENERGY, MINERALS, &amp; NATURAL RESOURCES DEPARTMENT</b>	<b>NEW MEXICO ENVIRONMENT DEPARTMENT</b>
<b>Activities/Responsibilities</b>	<b>PRC</b>	<b>ENMRD</b>	<b>NMED</b>
Representing state at FERC <sup>a</sup>	X		
Promoting energy conservation/efficiency	X	X	X
Forecasting electricity demand		X	
Licensing generators	X		
Promoting renewable resources	X	X	X
Planning natural gas infrastructure	X		
Planning transmission infrastructure	X		
Conducting integrated resource planning	X		
Rate Setting	X		
Monitoring/planning system reliability	X		
<sup>a</sup> Federal Energy Regulatory Commission.			

Source: NMPRC, NMEMNRD, and NMED.

Table 18.

LOW-INCOME ENERGY ASSISTANCE PROGRAMS IN NEW MEXICO			
Programs	LIHEAP	WAP	Voluntary
State Agency Program Admin.	New Mexico Human Services Division	New Mexico Mortgage Finance Authority	IOUs
Local Admin. Program Delivery	8 community action agencies	2 non-profit organizations	includes Churches and donations from utility employees

Source: New Mexico Human Services Division, New Mexico Mortgage Finance Authority

Major decisions regarding energy efficiency and low-income energy programs occur at the state legislature, New Mexico Public Regulatory Commission (PRC), New Mexico Mortgage Finance Authority (MFA), New Mexico Human Services Department (HSD) as well as at the utility level. The following section explores the main roles and responsibilities of these entities as well as some key legislation and decisions.

#### **Federal Low-Income Energy Assistance Programs, LIHEAP and WAP**

Funding for New Mexico's LIHEAP and WAP programs mirror the same process described for California's LIHEAP and WAP programs. The New Mexico Human Services Department oversees LIHEAP, including the nine community development corporations that provide the services. The New Mexico Mortgage Finance Authority serves as the program administrator for WAP and oversees two non-profits organizations, El Paisano Educational Resource Center and the Community Action Agency of Southern New Mexico, that provide direct services. Composed of 4 members representing communities based organizations, the WAP Public Advisory Committee, a subcommittee of the New Mexico Mortgage Finance Housing Advisory Committee, provides a community-based perspective as well as input regarding WAP.

#### **New Mexico Public Regulation Commission (PRC):**

The New Mexico Public Regulation Commission (PRC) oversees the state's telecommunications, electric, gas, and water utilities, power plant sitings and sets rates for utilities.<sup>136</sup> The PRC does not have any proceedings specifically dedicated to energy efficiency and low-income energy programs. However, the PRC has studied the potential of renewable energy and green pricing, and, in December 2002, issued a renewable portfolio standard rule requiring renewable

<sup>136</sup> In 1999, the New Mexico Public Utilities Commission and the State Corporation Commission merged into the current New Mexico Public Regulation Commission.

energy sources to compose 10% of public utility companies' energy supplies by 2011.<sup>137</sup> The rule also included a voluntary green-pricing component which allows a consumer to request renewable energy at a price agreed upon by the PRC and supplying utility. On January 8<sup>th</sup> 2002, the PRC issued Electric Energy Policy Principles, and while supporting renewables, the principles do not include language specifically pertaining to low-income communities. The PRC does not provide intervenor compensation, further inhibiting the ability of community-based organizations to participate in the regulatory decision-making process.

The Water, Environment, and Utilities Division of New Mexico's Office of the Attorney General is charged with protecting New Mexico's environment and serves as a ratepayer advocate for small commercial and residential customers at the PRC. The Division of Regulatory Law, a new division at the Office of the Attorney General, also serves as a ratepayer advocate for small commercial and residential customers at the PRC.

#### **New Mexico Energy, Minerals, and Natural Resources Department:**

The Energy Conservation and Management Division (ECMD) is "responsible for planning and administering energy efficiency and renewable energy technology programs. In addition, ECMD provides technical assistance and information in these areas to government agencies, Indian tribes and pueblos, educational institutions, and the general public."<sup>138</sup> The Energy Conservation and Management Division (ECMD) serves as the chair of the New Mexico Sustainable Energy Collaborative (NMSEC), "a recently formed, diverse group including participants from small businesses, utilities, government, the national laboratories, trade organizations, educational institutions, and environmental and public interest groups." The Energy Conservation and Management Division of New Mexico Energy, Minerals and Natural Resources Department would have been responsible for overseeing the systems benefit charge, including the low-income energy portion. However, it does not specifically address low-income energy related issues and functions more in line with the CEC.

#### **New Mexico Environment Department:**

Charged with environmental management and protection, the New Mexico Environment Department (NMED) engages in "permitting and certification; compliance and enforcement; environmental corrective action (or cleanup); public outreach and education; and administrative

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<sup>137</sup> However, the PRC's Renewable Portfolio Standard (RPS) is facing major opposition from the state's utilities in the courts as well in future legislation.

<sup>138</sup> New Mexico Energy, Minerals, and Natural Resources, "New Mexico's Natural Resources 2002," December 2002. page iii. [www.emnrd.state.nm.us/Mining/resrpt/1Intro.pdf](http://www.emnrd.state.nm.us/Mining/resrpt/1Intro.pdf)



services.”<sup>139</sup> The NMED manages the Air Quality Bureau (AQB) which is responsible for ensuring New Mexico’s air quality through the monitoring of air quality, inspections of air pollution sources, issuance of air quality permits, and the evaluation and adherence of federal air quality requirements. The NMED also oversees the Department of Energy (DOE) Oversight Bureau which ensures that DOE facilities, including Sandia National Laboratories, Los Alamos National Laboratory, and the Waste Isolation Pilot Plant, meet environmental standards and regulations.

#### **New Mexico Government:**

The state legislature and Governor in New Mexico define the state’s energy efficiency and low-income energy programs. While highlighting water as the priority in his policy agenda, Governor Richardson also highlighted the role of energy policy, particularly clean energy, and its importance to the environmental and economic well-being of the state. Given his experience as the nation’s Secretary of Energy under President Clinton’s administration, recently elected Governor Richardson (2003) brings with him an understanding of the energy industry that may be instrumental in crafting effective energy-related legislation. Siting the state’s wealth in natural resources, including “wind, solar, geothermal and biomass energy potential across our landscape,” Governor Richardson set a goal of producing 10 percent of the state’s energy from renewable sources by 2010. “The Richardson administration,” he said, “intends to make the energy industry in this state stronger, environmentally cleaner and diversified away from the fossil fuels that have underpinned our economy for so long.”<sup>140</sup> With this commitment to clean energy and environmental protection, Governor Richardson represents a political opening for energy efficiency and low-income energy assistance programs versus his Republican predecessor who served as Governor for eight years.

At the federal level, U.S. Senator Jeff Bingaman (D-NM) serves as the chair for the Senate Energy and Natural Resources Committee and has made a specific commitment to low-income energy assistance programs. New Mexico’s other congressional representatives include Senator Tom Udall (D-NM), Senator Pete Domenici and Senator Heather Wilson (R-NM), all of which are active on energy policy-related issues.

New Mexico’s state legislature is composed of the Senate and House of Representatives. The main committees responsible for energy-related legislation are the Senate Conservation Committee, composed of 9 members, and the House of Representative Energy and Natural Resources Committee, composed of 11 members. Representative James Madalena serves as the

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<sup>139</sup> Tyson, Cathy, “The State of the Environment: 2001 Report,” New Mexico Environment Department, Santa Fe, NM, 2001, page 57.

Chair of the New Mexico Energy and Natural Resources Committee. Representative Miguel Garcia serves as the Vice Chair of the New Mexico Energy and Natural Resources Committee.

At the state legislative level, initiatives to support both energy efficiency and low-income energy assistance have surfaced. However, most initiatives have not passed, given a combination of political opposition from other legislatures as well as the lack of community support and presence at the state legislature. In 2003, Senator Cisco McSorley and Representative James Madalena introduced simultaneous versions of the Clean and Affordable Energy Act in the Senate and the House of Representatives that encompassed energy efficiency as well as low-income goals. However, neither piece of legislation garnered enough votes to pass.

In speaking with Representative Garcia, he expressed his commitment to promoting the needs and interests of low-income, communities of color at the legislative level. Low-income energy assistance as well as support for renewable and energy efficiency rank among his top priorities. In 2003, Representative Garcia sponsored House Bill (HB) 320 which would have increased funding for LIHEAP through a creative and innovative funding process. However, the bill did not pass during the last session given opposition by other legislators as well as the lack of community presence to help demonstrate the human aspect of lack of access to such a basic and vital commodity, energy. Representative Garcia, however, remains confident that the bill will pass in the coming session with increased community presence in the legislative process.

Introduced in 2002 by Senator McSorley, SB 410, entitled the Non-profit Alternate Energy Project, sought to help provide access to basic electricity services to the approximately 4,500 households without existing access to the electricity grid.<sup>141</sup> According to the Energy Minerals and Natural Resources Department, “(t)he specified appropriation would greatly assist in identifying, analyzing and implementing promising mechanisms for providing these households with sustainable energy from such sources as the sun and wind. Provision of sustainable energy to low-income communities and families would, in turn, enhance their health, comfort and quality of life.”<sup>142</sup> The New Mexico Sustainable Energy Collaborative was envisioned as the main provider of these services. However, this bill did not garner sufficient votes to pass.

In 1998, the New Mexico Legislature passed electric restructuring legislation via Senate Bill (SB) 428 which also included funding for energy efficiency as well as a modest allotment of \$500,000

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<sup>140</sup> Governor Bill Richardson, “*State of the State Address*,” State of New Mexico, January 21, 2003.

<sup>141</sup> Fiscal Impact Report, “SB 410 (Mc Sorley): Non-Profit Alternate Energy Project,” New Mexico State Legislature, February 2, 2002.

<sup>142</sup> Ibid.

for low-income energy programs through a systems benefit charge. The New Mexico Mortgage Finance Authority, New Mexico Human Services Department, and the Coalition for Clean and Affordable Energy (CCAЕ) participated in the New Mexico Systems Benefit Task Force, a diverse group of organizations, which designed the systems benefit charge through a consensus process. However, as support for electric restructuring waned, in 2001, the New Mexico legislature first postponed electric restructuring until 2007, via SB 266 in 2001, and in 2003, voted to repeal the Electricity Industry Restructuring Act of 1999 altogether through SB 718. No provisions were made to fund energy efficiency and low-income energy assistance programs.

Table 19 highlights some key community energy related legislation in New Mexico, including those initiatives that did not pass.

Table 19.

COMMUNITY ENERGY RELATED LEGISLATION IN NEW MEXICO			
Legislation	Author/Sponsor	Community Energy Aspect of Bill	Status
SB 428 1999	Sanchez	<ul style="list-style-type: none"> <li>Electric Utility Industry Restructuring Act of 1999 which included Systems Benefit Charge to fund energy efficiency and low-income energy programs</li> </ul>	Passed
SB 266 2001	Sanchez	<ul style="list-style-type: none"> <li>Postpones Electric Utility Restructuring Act of 1999, including Systems Benefit Charge</li> </ul>	Passed
SB 410 2002	McSorley	<ul style="list-style-type: none"> <li>Non-profit Alternate Energy Project "Appropriates \$150.0 from the general fund to EMNRD to contract for services with a statewide energy and utility advocacy organization to assist in the provision of sustainable energy to low-income communities and families in locations currently not connected to regular energy and utility services."</li> </ul>	Did Not Pass
SB 718 2003	Sanchez	<ul style="list-style-type: none"> <li>Repeals the Electric Utility Industry Restructuring Act of 1999, including provisions supporting funding for energy efficiency and (minimal) funding for low-income energy programs</li> </ul>	Passed
SJM 51/HJM 97	Sanchez/ Lujan	<ul style="list-style-type: none"> <li>Urged the PRC to suspend the Renewable Portfolio Standard enacted on December, 2002 and the legislature to study the issue further.</li> </ul>	SJM 51 Did Not Pass HJM 97 amended, requires legislature to submit report by 2004
SB 836	Romero	<ul style="list-style-type: none"> <li>Gives PRC authority to adopt RPS and number of other renewable energy related policies</li> </ul>	Tabled in Senate Conservation Comittee
HB 320 2003	Garcia	<ul style="list-style-type: none"> <li>Increased LIHEAP funding through use of excess funds accrued from extraction taxes from oil and gas emergency school tax.</li> </ul>	Did Not Pass
HB 1025C 2003	Madalena	<ul style="list-style-type: none"> <li>Clean Energy Act included funding for energy efficiency and low-income programs as well as support for renewables</li> </ul>	Did Not Pass

Sources: Coalition for Clean Affordable Energy, NM Legislative Fiscal Impact Reports, Southwest Energy Efficiency Project

### Assessment of New Mexico Energy Advocacy

While several compelling examples of energy advocacy exist especially with respect to environmental justice and access to basic utility services, a comprehensive community-based energy advocacy strategy that also encompasses economic aspects of energy policy has yet to establish itself in New Mexico. The following table (table 21) lists some examples of community based energy advocacy in New Mexico.

Table 20.

<b>NEW MEXICO ENERGY ADVOCACY</b>	
<b>Elements of Comprehensive Community-Based Energy Agenda</b>	<b>Description of Specific Community Based Energy Advocacy:</b>
<b>Community-Based Participation in the Regulatory Decision-making Process</b>	<ul style="list-style-type: none"> <li>▪ Support for Systems Benefit Charge which included funding support for energy efficiency and low-income energy programs</li> <li>▪ Support for Clean Energy Legislation which included energy efficiency and low-income energy provisions</li> <li>▪ Pressured PRC into increasing Renewable Portfolio Requirement to 10% instead of 5% of total mix of energy sources despite utility opposition</li> <li>▪ Contribution to environmental justice energy related issues decisions through formal comments and testimony</li> <li>▪ Churches active in supporting energy assistance at utility and legislative levels</li> </ul>
<b>Constituency and Coalition Building</b>	<ul style="list-style-type: none"> <li>▪ Participation in Coalitions such as the Coalition for Clean Affordable Energy and New Mexico Sustainable Energy Collaborative</li> <li>▪ Community representation on NM MFA WAP advisory committee</li> <li>▪ New Mexico Conference of Churches developed “New Mexico Sustainable Energy Policies”</li> <li>▪ Statewide Poll evaluating support for renewables, including opinions of Latinos</li> </ul>
<b>Access to Funding Sources</b>	<ul style="list-style-type: none"> <li>▪ LIHEAP leveraging monies</li> <li>▪ Utility funding support – PNM support for ACORN outreach pilot project</li> </ul>
<b>Access to Technical and Legal Expertise</b>	<ul style="list-style-type: none"> <li>▪ Legal representation of indigenous communities in environmental justice cases: ENDAUM-CCT and SRIP worked with NM Environmental Law Center to fight uranium mining Navajo community based on detrimental impact uranium extraction on aquifer providing water to 15,000 individuals.</li> </ul>

An assessment of participation in the regulatory energy decision-making process, constituency and coalition building, and funding sources reveals various types of organizations engaged in energy advocacy, ranging from grassroots community based organizations, church groups, environmental organizations, consumer groups, legal centers, to research organizations. Some of these organizations include AARP, Association of Community Organizations for Reform Now (ACORN), Coalition for Clean Energy (CCA), Eastern Navajo Diné Against Uranium Mining (ENDAUM-CCT), New Mexico Conference of Churches, the New Mexico Law Center, New Mexico Sustainable Energy Collaborative (NMSEC), SouthWest Energy Efficiency Project (SWEEP), SouthWest Organizing Project (SWOP), and Southwest Research Information Project (SRIP). I am focusing on the activities of ACORN, Coalition for Clean Energy (CCA), New Mexico Conference of Churches, as well as the partnership between Eastern Navajo Diné Against Uranium Mining (ENDAUM-CCT), Southwest Research Information Project (SRIP) and New Mexico Law Center.

While many different types of groups are participating in some form of energy advocacy, this assessment of participation in the regulatory decision-making process reveals that only a few organizations are directly involved in advocating for low-income energy rate assistance programs. The lack of intervenor funding as well as specific proceedings dedicated to low-income energy assistance programs inhibit advocacy at the PRC. While more activity affecting low-income energy programs occurs at the state legislative level, community advocates from low-income and communities of color have yet to establish a consistent presence at the legislature (with respect to energy issues), as well.

One of the only organizations specifically advocating for low-income energy programs is ACORN which advocates at the federal level for LIHEAP and developed a pilot partnership with New Mexico's largest utility, Public Service Company of New Mexico (PNM), to conduct outreach for LIHEAP to PNM eligible low-income customers in 2002.<sup>143</sup> Usually at odds with PNM, ACORN approached this proposal in a non-adversarial way, realizing that both PNM and low-income consumers could benefit from this project.<sup>144</sup> Community-based outreach would help improve access to LIHEAP and other energy programs for New Mexico's hard-to-reach communities, while reducing the costs incurred by PNM due to otherwise unpaid bills and cut-offs. PNM subsequently approved ACORN's proposal and allotted its own monies to fund the pilot program. ACORN reached a total of 400 customers through a grass-roots outreach process. At the time of the interview, while ACORN anticipated continued support, this pilot project had yet to be incorporated as a permanent form of outreach for PNM and had not been attempted by New Mexico's other major utilities. However, it represents a first step in transforming traditional utility outreach efforts to low-income communities.

The majority of community-based energy advocacy in the state of New Mexico, however, focuses around issues of environmental justice, access to basic electricity/utility services, and energy efficiency and renewables. The Coalition for Clean Affordable Energy (CCAEE) represents a consortium of 8 different organizations advocating for renewable energy, energy efficiency and conservation. These organizations include the following: Conservation Voters Alliance, the Land and Water Fund of the Rockies, the National Parks Conservation Association, New Mexico Citizens for Clean Air and Water, the New Mexico Public Interest Research Group, the New Mexico Solar Energy Association, the Rio Grande Chapter of the Sierra Club, and the Southwest Research and

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<sup>143</sup> Rayburn, Rosalie, "Need for N.M. Utility Bill Help Surges," Albuquerque Journal. January 10, 2002.

<sup>144</sup> Personal Communication with Matthew Henderson, ACORN.

Information Center. The Coalition for Clean Affordable Energy actively participates at the PRC and at the state legislature promoting renewable energy and energy efficiency. CCAE plays a major role in promoting energy efficiency and alternative forms of energy at the state and local levels through advocacy, outreach, and education. In 2003, to raise additional support for the PRC's renewable portfolio standard rule, CCAE released a poll funded by NRDC that found that the majority of New Mexicans support the 10% renewable portfolio standard rule as well as limiting the use of water in power plants. This poll includes the opinions of Whites as well as Latinos, and different political groups which are displayed in table 22 below.<sup>145</sup>

Table 21.

NEW MEXICO POLLING DATA ON WATER AND ELECTRICITY				
	Support for Water Limits on Power Plants		Support for 10% Renewable Energy, by 2011	
	Favor	Oppose	Favor	Oppose
<b>Total</b>	88	7	85	12
<b>Hispanics</b>	87	6	86	12
<b>Anglos</b>	88	6	84	14
<b>Democrats</b>	93	4	90	8
<b>Independents</b>	84	8	87	10
<b>Republicans</b>	84	8	77	20

Source: Greenberg Quinlan Research Rosner Research, 2003

The majority of Latinos, as well as all others polled, are overwhelmingly supportive of renewable energy and water limits. By demonstrating this widespread support for renewables, at a time when the PRC's Renewable Standard Portfolio was coming under increasing fire from utilities and utility-friendly legislators, CCAE helped provide pro-renewable decision-makers with the political backing to stave off the opposition (at least temporarily).

CCAЕ also participates in a larger coalition, the New Mexico Sustainable Energy Collaborative (NMSEC) which is composed of a wider group of organizations, "including participants from small businesses, utilities, government, the national laboratories, trade organizations, educational institutions, and environmental and public interest groups." In 2001, proposed legislation (SB 410) would have allotted \$150,000 in general fund monies to support

<sup>145</sup> Greenberg Quinlan Rosner Research, "New Mexico Polling Data on Water and Electricity," Natural Resources Defense Council, Washington, DC. February 13- 17, 2003.

NMSEC, described as “a statewide energy and utility advocacy organization” in “assist(ing) in the provision of sustainable energy to low-income communities and families currently not connected to regular energy and utility services.”<sup>146</sup> Although the proposed funding level is quite low, this legislation represents an example of how renewable energy technologies can address the energy needs of low-income communities in an environmentally-friendly way. SB 410 did not pass at the legislative level, but it serves as an example of clean energy advocates directly addressing the needs of low-income communities.

CCAIE also collaborated with the New Mexico Conference of Churches which recently released the “New Mexico Sustainability Energy Charter: A Citizen Initiative” as part of the New Mexico Sustainable Energy Campaign. The New Mexico Conference of Churches represents a number of different churches and faiths committed to promoting sustainable energy and eco-justice among their main priorities. The New Mexico Sustainability Energy Charter presents a strong statement in support of sustainable energy, namely renewable energy and energy efficiency and conservation, but does not include language referring specifically to low-income and communities of color.

In the area of energy-related environmental justice issues, the Eastern Navajo Diné Against Uranium Mining and Concerned Citizens of T’iistsooz-Nideeshgizh (ENDAUM-CCT), Southwest Research Information Project (SRIP), and the New Mexico Law Center (Law Center) represent a unique partnership between a grassroots, indigenous community-based organization, a research think tank, and a legal law center. New Mexico’s “sparse populations, need for economic resources, and lack of political power have led to environmental justice concerns associated with impacts of nuclear weapons development, mining, milling, nuclear waste storage, pesticide use, oil and gas development, and general unregulated industrial activity.”<sup>147</sup> The proposed development of in-situ leach uranium mining in Crownpoint and Church Rock represents an example of the type of environmental justice issues which commonly arise in New Mexico, but it also represents the “first time that a grassroots organization – not to mention a Native American organization – has challenged the licensing of an in-situ leach uranium mine by the Nuclear Regulatory Commission (NRC).”<sup>148</sup> Established to contest the development of uranium extraction (commonly used for

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<sup>146</sup> Fiscal Impact Report, “SB 410 (Mc Sorley): Non-Profit Alternate Energy Project,” New Mexico State Legislature. February 2, 2002.

<sup>147</sup> New Mexico Environmental Health Sciences Center, 2002 Annual Report Contents: Community Outreach and Education Program (COEP), University of New Mexico Albuquerque.

<sup>148</sup> The New Mexico Law Center, Description of HRI-ENDAUM Uranium Mining Case, [www.nmenvirolaw.org/index.htm](http://www.nmenvirolaw.org/index.htm).



nuclear power plants) in the Navajo lands of Crownpoint and Church Rock, ENDAUM-CCT has led a long-standing campaign against the Nuclear Regulatory Commission and Hydro Resources, Inc.'s proposals to develop mining in their lands. The major concerns regarding the uranium mine revolve around the contamination of the Westwater Canyon Aquifer which serves as the main source of drinking water for 15,000 Navajo citizens as well as an increase in air pollution resulting from processing activities.

After a series of legal appeals by the Law Center, outreach and education the community and decision-makers by ENDAUM-CCT and SRIP, initiatives to develop the uranium mines have been postponed since 1994. However, the threat is by no means over. The 2003 energy bill included a provision that, although withheld federal funding for uranium mining in New Mexico, did not prohibit corporations from using their own funds for these purposes. Democrat Senators Bingaman and Udall contested the amendment which was supported by Republican Senators Wilson and Domenici. Since the energy bill did not pass this year, the threat has been (temporarily) put off for another year. Although this is just one example of many environmental justice issues challenging low-income and communities of color in New Mexico, ENDAUM-CCT and its collaboration with the New Mexico Environmental Law Center and the Southwest Research Information Project represent a powerful example of the both the necessity as well as the impacts of organized community-based advocacy.

Renewable energy is gaining much-needed political momentum given the constant advocacy of organizations such as CCAE as well as support from the new Governor and PRC leadership. Organizations such as the Coalition for Clean Affordable Energy, New Mexico Conference of Churches and New Mexico Sustainable Energy Collaborative express a strong commitment to sustainable energy principles. With respect to environmental justice, the partnership between the Eastern Diné Navajo Against Uranium Mining (ENDAUM), Southwest Research Information Project and the New Mexico Environmental Law Center represents a powerful example of community-based energy advocacy successfully confronting the Nuclear Regulatory Commission as well as other politicians in an on-going battle against the development of uranium extraction on their lands.

This initial assessment of community-based advocacy, however, did not find many other examples of grassroots, community based organizations specifically representing low-income and communities of color directly participating in energy-related decision-making processes at the state legislative and at the Public Regulatory Commission. While ACORN is involved in low-income

energy advocacy at the utility-level, this analysis found little other activity specifically related to low-income rate assistance programs.

## CHAPTER 5: CONCLUSION

Low-income and communities of color face formidable environmental and economic energy-related challenges in both California and New Mexico. However, California and New Mexico provide contrasting energy efficiency and low-income energy assistance programs to help address these challenges. In addition to federal funding, California provides significant funding for energy efficiency and low-income energy rate assistance and efficiency programs (energy programs). California's energy programs also address the needs of low-income and communities of color through concerted outreach and marketing efforts that consider the additional barriers in reaching these hard-to-reach communities which have improved participation levels. With modest funding for LIHEAP and no state mandated utility energy efficiency and low-income energy rate assistance and efficiency, New Mexico provides far less extensive energy programs which do not reach the majority of the state's low-income and Latino communities.

Exploring community based energy advocacy in California and New Mexico reveals a direct relationship between advocacy and energy programs. In California, organizations representing low-income and communities of color have played a key role in influencing decisions affecting energy efficiency and low-income energy assistance programs. Through the consistent and sustained presence in the state legislature and public utilities commission, as well as constituency and coalition building, access to funding and technical and legal resources, these organizations have engaged in comprehensive community-based energy advocacy that has yielded tangible results for low-income and communities of color, in addition to the community at-large.

In New Mexico, examples of energy advocacy demonstrate its direct impact on energy programs and policies as well. Through the direct participation of community-based organizations in energy-related decision-making processes, renewable energy proponents continue to make strides while indigenous communities have stalled the development of uranium extraction on their lands. However, while energy advocacy in the area of renewables and environmental justice has been gaining political momentum, community-based advocacy on behalf of low-income energy programs and policies is lacking. The minimal direct participation of community-based organizations representing low-income and communities of color in the state legislature and Public Regulatory Commission also impedes the formation of energy programs and policies that address the specific needs of these communities. For these reasons, a comprehensive community-based energy

advocacy movement that embraces both the environmental as well as economic challenges posed by energy production and consumption has yet to materialize in New Mexico.



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