

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 3009 Session of
2006

INTRODUCED BY KENNEY, GINGRICH, REICHLEY, ROSS, SONNEY, BEBKO-JONES, BISHOP, JAMES, LEDERER, MANDERINO, BAKER, BUXTON, CALTAGIRONE, CAPPELLI, CAWLEY, COHEN, CRAHALLA, DeLUCA, FREEMAN, GEORGE, GRUCELA, HARHAI, HERSHEY, HESS, KILLION, LEACH, MANN, MARKOSEK, MICOZZIE, MILLARD, MUNDY, PETRONE, PICKETT, PYLE, READSHAW, REED, RUBLEY, SATHER, SCAVELLO, B. SMITH, SOLOBAY, SURRA, E. Z. TAYLOR, TIGUE, WALKO, YOUNGBLOOD, YUDICHAK AND GEIST, OCTOBER 17, 2006

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, OCTOBER 17, 2006

AN ACT

1 Providing for the Low-Income Weatherization Assistance Program
2 and for an evaluation of the program; and authorizing
3 additional funding for the program through interfund
4 transfers.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Low-Income
9 Home Energy Weatherization Improvement Act.

10 Section 2. Declaration of policy.

11 The General Assembly finds and declares that:

12 (1) Many residents of this Commonwealth are finding it
13 difficult to pay for energy services, due to the sharp energy
14 price increases experienced by many Pennsylvanians recently.

15 (2) The Department of Energy has projected that natural
16 gas heating costs this winter are expected to rise over 30%

1 from last winter and home heating oil costs are expected to
2 also rise over 30% this winter.

3 (3) In view of these sharp increases, Commonwealth
4 residents can expect to pay higher costs to heat and cool
5 their homes.

6 (4) The current high and volatile nature of energy
7 prices has made it essential to consider increased funding
8 for energy assistance programs.

9 (5) Studies have predicted that the price of fossil
10 fuels will rise at the rate of 6% to 10% per year for the
11 next 20 years. If the cost of energy increases at 6% per year
12 by 2024, it will cost the average low-income household in
13 Philadelphia, for example, almost \$8,000 to meet that
14 household's energy and water needs.

15 (6) Energy conservation helps to maintain affordable
16 energy bills and reduces our nation's dependence on foreign
17 oil; therefore, it serves a public purpose to provide support
18 to programs which can reduce home energy costs and
19 consumption.

20 (7) It serves a public purpose to provide supplemental
21 funding to the Low-Income Weatherization Assistance Program
22 in order to help eligible families with reducing their home's
23 energy consumption.

24 (8) Increases in energy prices have generated additional
25 unanticipated sales tax revenue to the Commonwealth that can
26 be used to offset the costs of supplemental funding under
27 this act.

28 Section 3. Definitions.

29 The following words and phrases when used in this act shall
30 have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Commission." The Pennsylvania Public Utility Commission.

3 "Department." The Department of Community and Economic
4 Development of the Commonwealth.

5 "Eligible household." The term includes a household with
6 income at or below 200% of the Federal poverty level.

7 "Low-Income Weatherization Assistance Program" or "program."
8 The program established by Title XXVI of The Omnibus Budget
9 Reconciliation Act of 1981 (Public Law 97-35, 42 U.S.C. § 8621
10 et. seq.) and administered by the Department of Community and
11 Economic Development with funds received through the Department
12 of Public Welfare and the Department of Energy.

13 Section 4. Administration of Low-Income Weatherization
14 Assistance Program.

15 (a) Revisions to current program guidelines.--The department
16 shall develop revisions to the current program guidelines so
17 that the program is positioned to take advantage of the greatest
18 possible savings in terms of energy and energy costs and shall
19 expand the list of eligible energy conservation measures to
20 include new measures that are shown to be cost effective.

21 (b) Independent evaluation.--The department shall undertake
22 an independent evaluation of the program for the purpose of
23 improving the quality and effectiveness of the program. The
24 evaluation shall at a minimum include:

25 (1) A determination of the overall effectiveness in
26 terms of the cost versus the benefits of the program.

27 (2) A determination of the level of energy savings
28 achieved by each grantee or subgrantee and on a per home
29 basis by each grantee or subgrantee.

30 (3) The effectiveness of the energy conservation

1 measures being installed.

2 (4) Other improvements, including, but not limited to:

3 (i) Jobs created.

4 (ii) Peak load reductions.

5 (iii) Any recommendations to improve the program's
6 effectiveness, especially in service delivery and in
7 increasing the types of energy conservation measures to
8 be installed.

9 (c) Schedule for ongoing evaluations.--The department shall
10 develop a schedule for conducting ongoing evaluations of the
11 program. The department shall submit copies of the evaluation
12 report to the Public Health and Welfare Committee of the Senate,
13 the Environmental Resources and Energy Committee of the Senate,
14 the Health and Human Services Committee of the House of
15 Representatives and the Environmental Resources and Energy
16 Committee of the House of Representatives.

17 (d) Joint study.--The department and the commission shall
18 jointly conduct an annual review of the program and the
19 universal service and energy conservation policies, protections
20 and services defined in 66 Pa.C.S. § 2803 (relating to
21 definitions), specifically low-income usage reduction programs
22 conducted by public utilities. The review shall include, but not
23 be limited to:

24 (1) Methods to improve the coordination and
25 effectiveness between the program and those programs.

26 (2) Opportunities to increase the energy savings
27 resulting from activities of the program and those programs.

28 Any written report or evaluation of the review shall be a
29 public record open to public inspection under the act of June
30 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know

1 Law.

2 Section 5. Transfer of funds.

3 On or before September 1 of fiscal years 2007-2008, 2008-2009
4 and 2009-2010, the State Treasurer shall transfer the amount of
5 \$15,000,000 each year from the General Fund to the Emergency
6 Energy Assistance Fund administered by the Department of Public
7 Welfare and used exclusively for providing supplemental funding
8 to the Low-Income Weatherization Assistance Program administered
9 by the department. Any of the transferred funds that are
10 unencumbered and unexpended by June 30, 2010, shall be
11 immediately transferred to the General Fund. On or before June
12 30, 2009, the department and the Department of Public Welfare
13 shall jointly submit a report to the Appropriations Committee of
14 the Senate, the Public Health and Welfare Committee of the
15 Senate, the Environmental Resources and Energy Committee of the
16 Senate, the Appropriations Committee of the House of
17 Representatives, the Health and Human Services Committee of the
18 House of Representatives and the Environmental Resources and
19 Energy Committee of the House of Representatives providing an
20 overall evaluation of the program to date.

21 Section 6. Effective date.

22 This act shall take effect in 60 days.