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DATE AUG 05 2009

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To: California Energy Commissioners and Staff

From: Luz Buitrago
Attorney/Consultant

RE: Comments State Energy Program (SEP) Guidelines

Date: August 5, 2009

These written comments reflect and expand comments that I submitted at the State Energy Program Preliminary Application Guidelines hearing held in Stockton on July 28, 2009.

First, I would like to congratulate the California Energy Commission and its staff for successfully obtaining an American Recovery and Reinvestment Act award to support its visionary and important SEP Program that focuses on a multi strategic approach to creating jobs, promoting economic recovery and increasing energy efficiency. I would also like to applaud the Energy Commission staff (Valerie Hall, Angela Gould, Bill Pennington and Martha Burke) for encouraging public comments in order to assist in ensuring that the SEP Program will be a success.

I am an attorney/consultant who for over several decades has worked with low-income individual and families, and groups such Latinos, African Americans, Asian Americans, and immigrants who are limited English speakers or proficient (LES or LEP) who have often been denied access to government services, programs and opportunities. In particular, I have worked over the last decade to develop and implement policies that assure that LEP community members have meaningful or equal access to government services and programs. Through my advocacy efforts, I have worked with state and local (primarily in the East Bay) agencies and a broad array of non-profit agencies.

Demographic Changes Compel Targeting Latinos and other Immigrant Communities.

The Energy Commission's application to the US Department of Energy rightly identified the lack of "public education on the benefits and value of energy efficiency as being a major barrier to full and effective implementation of energy efficiency programs." One of the application's objectives is the "[a]chievement of greater penetration of energy efficiency and clean energy systems in participating homes and business than has been achieved through existing

programs.” Obtaining a “greater penetration” of property owner participation is particularly important for the Municipal Financing and the California Comprehensive Residential Building Retrofit programs both of which will require significant property owner participation to be successful. In the first instance, property owners will have to obtain loans that will be tied to the property to make energy efficient improvements, and in the second instance tier 1-3 home retrofits will also require significant property owner participation. To obtain increased and significant owner participation, education and outreach about why, even under the current “recessionary” times, performing energy efficient home improvements and retrofits will benefit the individual property owner, his/her local community and the community at large will be crucial. Municipalities can offer loans, but if the property owners do not understand or perceive the benefit of the loans, they will not be willing to make the investment even if the loan has a low-interest rate. Similarly, larger government consortia can develop retrofitting programs that may go unused if the residential property owners do not understand the benefits of the retrofits.

The dramatic demographic changes that have occurred in the last decades in California compel that the Commission ensure that the SEP grantees include a strong and well funded education, marketing and outreach program to reach Latinos, including limited English speaking or proficient (“LES” or “LEP”) immigrant homeowner and business owners. My comments focus on the Latino community because it is the largest minority/ethnic group, but the same principles apply to geographic areas in the state where there are other significant immigrant and speakers of Asian (e.g. Chinese and Vietnamese) and other languages. According to 2000 Census data, 42.3% of the population speaks a language other than English at home. One in every three residents (36.2%) in California is Hispanic or Latino. 28.1% of the population speaks Spanish at home, with 13.8% speaking English less than well. The Census also estimates that the immigrant and LES population will continue to grow dramatically in the next ten years. 48% of Latinos are homeowners. For the SEP Program to be successful and to continue to lay the ground for any future energy efficient programs, significant inroads to getting the message of the importance and benefits of energy efficiency and sustainability must be made to this significantly growing segment of California’s population. To accomplish this goal the education and information must be bilingual and provided in a culturally appropriate manner (see the comments below expanding on the recommended methodology.)

Moreover, given the demographics of the state, the success of the job training, and job creation to stimulate the economy and create a “sustainable energy workforce” will also require that the Commission ensure that SEP grantees include a targeted focus on the Latino, API and other immigrant communities. Latinos in the state have one of the highest unemployment rates—11.3% (“Latino Employment Status, March 22, 9” National Council of La Raza (NCLR) using state and county data.) Nation wide 13.4% of native born and 73% of foreign born Latinos of working age have language barriers. Of the 18 million working age Americans who speak English less than well, only 4.9% receive training programs funded by public programs. In order to provide equal access to the job training and opportunities that will be created under the SEP Program, the Commission must ensure that its grantees provided effective job training and adult education programs that are combined with English-as-a-second language. (See also recommendations of NCLR). While seemingly difficult to accomplish, ensuring that grantees partner with the appropriate contractors—community based organizations and colleges—would make this an attainable goal within the performance timelines imposed by the award.

Both the program structure and evaluation sections should include guidelines requiring the targeting of the Latino, immigrant and LEP communities. For the Residential program, this could easily be accomplished by adding a number 4 to the program structure and adding specific criteria to the criteria evaluation list.

Multi Strategic, multi-partner Community Based Education, Marketing and Outreach

To effectively reach the Latino/Hispanic, and other limited English proficient immigrant populations will require a multi-strategic, multi-partnered approach targeted to provide information in communication modes and locations where these individuals get information. Most importantly, the education, marketing and outreach materials must address real or perceived cultural and language barriers. As commented above, the education, marketing, and outreach efforts must be provided in a language accessible manner—that is to say both oral and written communications must be multilingual targeting the appropriate language groups. In addition, it must be provided in a culturally appropriate manner. That is to say simply translating materials or providing translated materials on websites will not be sufficient.

In my experience, local governments often do not have the track record of developing and implementing effective education and outreach campaigns. This is particularly true when it comes to performing education and outreach to the immigrant LEP communities as individuals are often distrustful of the government. “Energy and building contracting experts” are also likely to lack the experience and cultural background to effectively educate this segment of the community. While including multilingual media (preferably radio and television) campaigns is important, including a community based approach that incorporates working with groups that LEP immigrants tend to have contact with and trust would increase the rate of success. The community partners would change depending on the community, but could include for example: churches, health centers, non-profits that provide services, legal groups, “promotedoras” and local unions. Expanding the list of key groups that need to be partners of the government based consortia beyond “... government, utilities, community colleges, national energy programs, and private and public energy building contracting experts...” is important. The level of involvement of community should be included in the evaluation criteria. In order to obtain the participation of these community partners, funding should be allocated for their activities. Much too often, already financially strapped community partners are asked to participate in programs without receiving appropriate funding.

Ensuring Equal Opportunity to Participate In Job Training and Job Opportunities of Other Traditionally Under Represented Groups

While the guidelines appropriately include the targeting of “Economically Disadvantaged Areas,” in addition to focusing on the Latino, and other immigrant communities, the guidelines should also include criteria that would ensure that grantees will include other groups of individuals who are often excluded from fully participating in training and employment programs. These groups include women, African Americans, other people of color, and people with disabilities.

Providing Subsidies to Certain Property Owners and Encouraging Municipal Funding Alternatives

One of the main goals of the SEP Program is to encourage tier 2 and 3 level retrofits which are more expensive and will require the provision of funds through AB 811 type programs. The current plan is to allow for low interest rate loans that would be paid through property taxes. The low interest rates are likely not to be a sufficient incentive to many seniors who are often on a limited income, and other

low or lower income homeowners. To ensure that these property owners have equal access to this program, the Commission should consider providing subsidies for certain categories of homeowners. Further, the Commission should consider a loan repay back system that does not depend on increasing the payment of property taxes, but that allows for repayment when the property is sold or title changes. Finally, the Commission, while being cautious to avoid repeating the type of lending behavior that led to sub prime mortgage crisis, should not swing so far in the pendulum to make financing of these retrofits out of reach by imposing too high of a loan-to-value ratio or other wise making it too difficult for property owners to qualify for the loans.

Thank you in advance for considering my comments. If you have any questions, I can be reached at 510.859.3841, lbuitrago@earthlink.net.