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Witness:	Dana Gray
Sponsoring Party:	Tower Grove Neighborhoods Community Development Corporation
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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EO-2015-0055

REBUTTAL TESTIMONY

OF

DANA GRAY

ON

BEHALF OF

**TOWER GROVE NEIGHBORHOODS
COMMUNITY DEVELOPMENT CORPORATION**

March 20, 2015

Tower Grove Exhibit No. 1400
Date 7-22-15 Reporter TR
File No. EO-2015-0055

1 **Q. Please state your name and business address.**

2 A. Dana Gray, 4103 Shenandoah, St. Louis, MO 63110.

3 **Q. On whose behalf are you testifying?**

4 A. I am testifying on behalf of the Tower Grove Neighborhoods Community Development
5 Corporation ("Tower Grove Neighborhoods CDC," or "TGNCDC"), a member of the
6 Community Builders Network of St. Louis. All work developing my testimony has been
7 completed by me or under my direction.

8 **Q. By whom are you employed and in what capacity?**

9 A. I am the Community Development Outreach Coordinator for the Tower Grove
10 Neighborhoods CDC. I am responsible for coordinating a Landlord Training workshop series,
11 beautification projects, energy conservation projects, and streetscape enhancement efforts.
12 Tower Grove Neighborhoods CDC targets housing and community development efforts in South
13 St. Louis City. The Community Builders Network of St. Louis, of which Tower Grove
14 Neighborhoods CDC is a member, is an association of nonprofit community building
15 organizations, formed to increase the capacity of member organizations, develop a more
16 supportive community building system, and raise public awareness of the need and importance
17 for community building.

18 **Q. Please provide a summary of your qualifications and experience.**

19 A. I served as executive director of Southwest Garden Neighborhood Association for nine
20 years, coordinating landlord association meetings, energy conservation workshops, and other
21 community related projects and activities, such as neighborhood tours, community publications,
22 and projects focused on enhancing the livability of the community. I am a founding member of
23 the Community Builders Network and have served on the Civic Capacity Building Committee

1 since 2013. In 2014 I began working with landlords through the Tower Grove Neighborhoods
2 CDC, with expanded target audience of all of South City. I have owned and managed residential
3 rental properties since 2006. At present my rental properties consists of two multifamily
4 buildings (four-plexes) and two single family houses. My properties and most properties of the
5 landlords who attend our landlord workshops are unsubsidized affordable multifamily housing.
6 The Tower Grove Neighborhoods CDC and other organizations with whom I interact through the
7 Community Builders Network own and manage a combination of subsidized and unsubsidized
8 housing.

9 **Q. Have you previously testified before this Commission?**

10 A. No, this is my first testimony before this Commission.

11 **Q. Please summarize your Testimony.**

12 A. My testimony includes a number of recommended approaches for Ameren Missouri's
13 Residential Low-Income program as part of its proposed MEEIA Cycle II energy efficiency plan.
14 These recommendations are based on my experience interacting and working closely with
15 landlords and building owners, particularly with respect to energy efficiency measures and
16 conservation programs. In my testimony, I recommend that Ameren pursue the following
17 approaches in order to achieve all cost-effective savings through its Residential Low-Income
18 program: 1) utilize a one-stop-shop approach starting with a visit from an energy auditor to
19 interface with property owners and identify needed measures; 2) expand the list of items eligible
20 for incentives and offer enhanced incentives for low-income buildings; 3) offer in-unit measures
21 to tenants of unsubsidized affordable multifamily housing units, not just subsidized units; and 4)
22 make average monthly usage data available to both property owners/managers and tenants.

1 **Q. In your experience, what is the best way to motivate landlords and property owners/
2 managers to invest in energy efficiency measures?**

3 A. In my work coordinating energy conservation workshops in the community, I have
4 promoted Ameren Missouri's Residential and Business incentive programs. It has been my
5 experience that the property owners need a great deal of direction and guidance in determining
6 program eligibility and which measure was appropriate. Our energy conservation programs
7 included an energy auditor among the team of professional collaborators. The energy auditor
8 would determine the greatest needs of the property and the methods to address those needs.

9 I suggest that Ameren Missouri include energy audits among their incentives, particularly
10 for customers who are landlords and building owners/managers. Auditors often fill gaps in
11 property owner knowledge, providing much needed professional advice on where the greatest
12 energy savings can be achieved and whether incentive programs or financing options exist to
13 secure the suggested improvements. All offerings available to affordable multifamily housing
14 should be presented to owners as part of a single *one-stop-shop* program, or at a minimum
15 presented to owners via a single application. The Ameren program implementer, perhaps chiefly
16 an auditor, can serve as a one-stop-shop for an owner navigating energy efficiency
17 improvements, incentives, and financing. Ameren can help owners overcome additional barriers
18 by providing a more start-to-finish, one-stop-shop approach, including support for scoping out
19 work, hiring contractors, and doing quality assurance.

20 Ameren's multifamily utility offerings should include financing options. Again, this is
21 where the one-stop-shop approach is critical. Property owners need assistance navigating which
22 financing option is appropriate and best suits their needs. Ameren Missouri, or its Residential
23 Low-Income program implementer, should act as a clearing house for all financing options

1 available to owners and building managers, including PACE financing, Qualified Energy
2 Conservation Bonds (QECBs), and others.

3

4 **Q. Please elaborate on why the list of items eligible for incentives as well as the**
5 **incentive amounts should be expanded.**

6 A. Expanding eligibility and the list of measures covered by the program could significantly
7 increase the overall energy savings for the utility. Owners of affordable multifamily housing
8 often have a 'fix it when it breaks' approach to building improvements, mostly due to limited
9 budgets. While our community energy conservation programs were presented to the owners and
10 managers of multifamily housing, I did not find that the rebates on HVAC equipment were
11 sufficient to inspire a landlord to choose more energy efficient equipment. Landlords often
12 concluded they could save more money by purchasing less efficient equipment. Expanded utility
13 incentive programs are needed to convince owners to replace aged and inefficient HVAC
14 systems and appliances.

15 In addition to incentives for energy audits, I suggest the broad inclusion of incentives for
16 building air sealing, insulation, high-efficiency HVAC equipment, and Energy Star rated roofs.
17 Rather than denying a building owner from participating in a utility incentive program due to a
18 roof or foundation leak, Ameren can expand the program to cover these improvements for
19 affordable multifamily housing, or partner closely with agencies/organizations that can fund
20 these items. A new Energy Star rated roof or foundation repair combined with sealing the
21 foundation will reap energy savings, benefitting the tenants with improved indoor air quality,
22 reduced incidence of microbial growth, diminished health hazards, and savings on energy costs.
23 These tenant benefits in turn benefit the landlord by reducing turnover and vacancy, limiting

1 tenant complaints and legal actions, and increasing tenants' ability to pay rent due to energy bill
2 savings.

3 Furthermore, Ameren should offer enhanced incentives for these and other measures
4 when they are being installed in low-income multifamily housing: this might mean a 25%, 50%,
5 or even 100% higher incentive relative to those available to buildings that do not house low-
6 income tenants. This is justified because of the much higher non-energy benefits from serving
7 low-income households.

8

9 **Q. Should Ameren Missouri's proposed Residential Low-Income program focus its**
10 **incentives solely on multifamily affordable buildings participating in HUD, USDA, or**
11 **Public Housing programs?**

12 No. Ameren Missouri's program should target incentives to both subsidized and
13 unsubsidized multifamily affordable properties. Allowing participation by unsubsidized
14 affordable multifamily buildings, which are a huge source of housing for low income residents,
15 would help the utility achieve energy savings goals and bring utility cost savings to more low
16 income residents.

17 From my perspective, it appears the majority of the multifamily housing in South St.
18 Louis, tenants pay the gas and electric bills. Incentives are needed for these properties, which
19 are often unsubsidized affordable multifamily, because landlords often perceive little monetary
20 incentive to purchase energy efficient equipment for individual units, despite evidence that these
21 improvements can improve the landlord's bottom line by reducing turnover and maintenance
22 expense, etc.

1 I wish to suggest that utility incentive programs need both an owner and an end user
2 focus when approaching multifamily housing: unsubsidized affordable multifamily housing
3 should be made eligible for the in-unit measures currently available only to subsidized
4 multifamily affordable housing.

5 **Q. What role would providing energy usage data play in encouraging both landlords**
6 **and tenants to participate in Ameren Missouri's program?**

7 Providing energy usage data could have a significant impact, and I recommend the utility
8 take a careful look at its applications. It would be beneficial to tenants and landlords if average
9 monthly utility usage data were easily accessible. From the perspective of a landlord, easy
10 access to energy usage data would provide insight into which of the building's systems,
11 appliances, areas, and even individual units are in greatest need of energy efficiency
12 improvements. From a tenant perspective, average, appropriately anonymized monthly usage
13 data could be made publicly available and searchable on the web such that a prospective tenant
14 could intelligently weigh utility costs when comparing one rental unit to another. If average
15 monthly utility costs were easily accessible, landlords would be incentivized to provide more
16 efficient units for their tenants, driving participation demand for Ameren's programs.

17

18

19 **Q. Does this conclude your rebuttal testimony?**

20 A. Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's 2nd Filing to Implement) File No. EO-2015-0055
Regulatory Changes in Furtherance of Energy)
Efficiency as Allowed by MEEIA)

AFFIDAVIT OF DANA GRAY

STATE OF MISSOURI

COUNTY OF ST. LOUIS

Dana Gray, being first duly sworn on her oath, states:

1. My name is Dana Gray. I work in the City of St. Louis, Missouri, and I am employed by Tower Grove Neighborhoods Community Development Corporation as the Community Development Outreach Coordinator.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Tower Grove Neighborhoods Community Development Corporation, which has been prepared in written form for introduction into evidence in the above-referenced docket before the Missouri Public Service Commission.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

/s/ Dana Gray
Dana Gray

Subscribed and sworn to me this 20th day of March, 2015

Elaine M. Burrus
Notary Public 3/20/15

My commission expires: 3/21/2016

