

**Williams Settlement Fund Report  
to Department of Justice  
from Oregon Housing & Community Services  
December 31, 2004**

**INTRODUCTION**

This report complies with the requirement set by the Interagency Agreement signed between the Department of Justice (DOJ) and Oregon Housing & Community Services (OHCS) in August 2003 pertaining to the use of Williams Settlement Funds administered through OHCS. Specifically, the funds are to be used for "...direct electricity or home heating bill-paying assistance for energy consumers in Oregon who meet OHCS' criteria for assistance and who are served by public utilities in Oregon (Municipals, PUDs and Co-ops)." In addition, the funds are to provide "...support of low-income weatherization and conservation programs administered by OHCS..."

OHCS will be funding three activities with the Williams Settlement Funds. The first is bill payment assistance, second is the Housing Division's Low-Income Weatherization Program for multi-family rental housing and third is the Community Resource Division's Low-Income Weatherization Program. This report will describe whom we have served with these funds, the level of need and the vital benefits to the lives of these Oregonians. It will also describe the system for delivery and the use of funds

**I. BILL PAYMENT ASSISTANCE**

**WHO WE SERVE**

Bill payment assistance is provided to vendors on behalf of eligible low-income customers of community-owned utilities (COU) in Oregon. The fund is fuel blind meaning an eligible household may use the funds for any type of fuel. Even so, 90% of the payments have been made directly to COUs. Some households had payments split between a COU and another fuel vendor.

Income eligibility requirements for Williams Funds are the same as the federally funded LIEAP program. An applicant's household income must be at or below 60% of the Oregon Median Income. For a household of one, this is \$18,802 per year; for a household of four it is \$36,157. There are two levels of bill assistance payments and a higher payment is issued for households that fall below 100% of the Federal Poverty Guidelines for Oregon. For a household of one, that cap is \$9,310 per year, and for a household of four, it is \$18,850. However, these figures do not accurately reflect who is actually served. The average income of households served by Oregon Energy Assistance Program (OEAP) and Williams Fund households would be very similar during the Program Year 2004, which ended September 30,

2004, and was \$10,699 per year. This average household had just over three residents, which means their income was well below the Federal poverty level. See Attachment A for tables with the federal poverty guidelines and Oregon 60% income guidelines.

In the nine months since the Williams Funds became available in April 2004, 1,408 households have been served. Of these, 225 households included at least one senior citizen and 360 included a member who is disabled. In addition, the table below describes who was served related to federal poverty levels during this time. This data was pulled from the OHCS OPUS computer reporting system that was created to manage agency programs. Also, see Attachment B for the OPUS system report titled Client Characteristics.

<b>Percent of Poverty Report</b>					
Intake Date from 04/01/2004 to 12/22/04					
<b>WILLIAMS FUND 2004</b>					
<b>% of Poverty</b>	<b>Households</b>	<b>Seniors</b>	<b>Disabled</b>	<b>Age &lt;6</b>	<b>Age &lt;3</b>
Under 75%	751	43	159	257	137
75%-100%	235	59	80	58	30
101%-125%	173	52	59	29	16
126%-150%	127	30	27	37	16
Over 150%	122	41	35	17	11
<b>Totals</b>	<b>1,408</b>	<b>225</b>	<b>360</b>	<b>398</b>	<b>210</b>

The following table shows the type of bill that serviced clients came in with when requesting energy assistance from the Williams Fund. Thus, of the 1465 records, 96 had their service disconnected at the time of the request and 181 had a notice of shutoff to occur within 24 hours. The Heat Type Report is the primary source of heat for the households served.

<b>Payment Type Report</b>	
Intake Date from 04/01/2004 to 12/22/2004	
<b>WILLIAMS FUND 2004</b>	
<b>Description</b>	<b>Count</b>
Past due	318
Regular	676
Shutoff 0-24 hours	181
Shutoff 1-5 days	194
Shutoff disconnected	96
<b>Total</b>	<b>1,465</b>
*Number of Households may not compare to other reports due to possibility of counting in more than one category.	

<b>Heat Type Report</b>		
Intake Date from 04/01/2004 to 12/22/2004		
<b>WILLIAMS FUND 2004</b>		
<b>Heat Type</b>	<b>Household Count</b>	<b>Client Count</b>
Electric	1278	3490
Liquid Gas	16	30
Natural Gas	87	249
Oil	8	29
Other	5	24
Pellet	2	3
Solar	1	5
Wood	7	29
<b>Totals</b>	<b>1404</b>	<b>3859</b>

### **SERVICE DELIVERY**

The Williams Fund bill assistance program is delivered through a network of community action agencies throughout Oregon, which deliver a myriad of anti-poverty programs to low-income clients. This creates efficiency of operations plus assures that clients are able to

access multiple services that are designed to help them move away from dependency while assisting them with their immediate crisis. See Attachment C Vendor Report for a list of the vendors and payments made from Williams Funds.

OHCS has developed, with assistance from partner agencies and major utilities, a set of energy education and case management practices to help clients move toward self-sufficiency. The project is titled Energy Efficiency and Consumer Competency (E2C2). A federal REACH grant has been secured to fund pilot projects with three agencies in five Oregon counties to begin testing this program. As these practices are implemented in the pilots, they will be offered to agencies statewide. Major components of the project include:

- Client Universal Intake process with web-based linkage to Oregon Helps
- Needs assessment for client services
- Consumer education about how to reduce energy costs
- Energy bill assistance through OEAP and LIEAP
- Bill payment options including incentives to make regular payments
- Weatherization services
- Energy saving kits
- Case management that links clients to additional services with the goal of increased self-sufficiency skills

### **PROGRAM SPENDING**

The table in Attachment D describes the allocations and expenditures as of December 22, 2004 for the Williams Fund bill assistance program. It shows that 96% of the funds have been expended. The Vendor Payment Summary in Attachment C demonstrates that 90% of the funds have gone to COUs.

### **ALLOCATIONS**

The 2004 Williams Fund receipts of \$501,656 were allocated by April 1, 2004. Of this total, \$476,573 was sent to the partner agencies and \$25,083 was retained by OHCS for administration.

### **EXPENSES**

#### **OHCS Administration**

OHCS provides contract management, monitoring for grant compliance, accounts payable/receivable, OPUS database system and management, program monitoring, training and technical support. These expenses will not exceed 5% of the total receipts.

#### **Partner Agency Administration**

Each community action agency provides contract management, supervision of staff and accounts payable/receivable in administering the Williams Fund. Federal funds cannot be used to pay other program expenses, so agencies need funds to cover their actual costs of administering this program. Partner agencies have been allocated 10% or less for administration. Any unexpended funds for administration can be moved to client vendor payments at the agency's discretion.

### **Program Delivery**

Agencies incur costs directly related to delivery of Williams Fund services to clients. These program specific expenses are paid for on a cost reimbursement basis as program delivery expenses. Common expenses include payroll for service workers, direct program management, telephones, supplies, postage and office space costs. Again, federal funds cannot be used to pay other program expenses, so agencies need funds to cover their actual costs of delivering this program. The average allocation to partner agencies for program delivery costs is under 12.6%.

### **Client Vendor Payments**

Partner agencies make vendor payments directly to utilities on behalf of their clients. These payments meet vital needs to maintain heat for low-income households. Client vendor payments have been allocated at over 77% of the funds distributed to partner agencies.

### **NEED**

Using the 2000 Census data, Oregon Housing & Community Services (OHCS) estimates approximately 348,000 households are eligible for energy assistance in Oregon. Of those, fewer than 22% receive services from the Williams Fund, Oregon Energy Assistance Program (OEAP) or the federally funded Low-Income Energy Assistance Program (LIEAP), all of which are each administered through OHCS.

Low-income households pay a disproportionate share of their income to maintain energy services. According to a recent study (see table below) on home energy affordability, Oregon households with incomes at or below 50% of the federal poverty level pay nearly 32% of their annual income to energy bills. For households between 50% and 100% of poverty, the energy burden averages 11%, more than twice that of a non low-income household. The 2000 census data identifies more than 155,000 Oregon households that fall below the federal poverty level.

Federal Poverty Level	Home Energy Burden
Below 50%	31.6%
50-74%	12.7%
75-100%	9.1%
101-124%	7.1%
125-150%	5.8%
150-185%	4.7%

Source: *On the Brink: 2004*, Fisher, Sheehan & Colton, April 2004

Low-income households often have problems with late or missed payments, arrearages or debt, and face disconnection of utility services. Consequences of even short periods of service disconnection include failing health of seniors, poor performance of children in school and deterioration of housing stock. More severe consequences include loss of eligibility for other support programs (i.e. eviction from subsidized housing), homelessness and death. A May 2004 survey report by the National Energy Assistance Directors' Association, says recipients of energy assistance reported the following consequences of unaffordable energy bills:

- 22% went without food for at least one day

- 38% went without medical or dental care
- 30% went without filling a prescription or taking a full dose of a prescribed medicine
- 21% became sick because their home was too cold
- 20% said they were not able to pay their energy bills due to medical expenses.

## **II. HOUSING DIVISION'S LOW-INCOME WEATHERIZATION PROGRAM FOR MULTI-FAMILY RENTAL HOUSING**

### **PROGRAM DESCRIPTION**

The purpose of the OHCS Housing Division's Low Income Weatherization Program is to lower the energy usage and utility costs of lower income tenants residing in affordable rental housing. One million dollars of the Williams Settlement Funds have been set aside for this program. The program provides grant funding for the construction or rehabilitation of affordable housing where at least half of the units in the project are rented to households whose income is at or below 60% of the area median income (adjusted by family size) as defined by HUD. The housing must remain affordable for a minimum of 10 years but may be longer based upon other funding sources provided or extended commitments made by the owner.

Program resources may be used for shell measures such as windows, doors, and insulation as well as energy-efficient appliances and lighting. New construction projects must demonstrate higher than code minimums for insulation, windows, appliances and lighting. Acquisition/rehabilitation projects may use the resources for upgrades from original levels of insulation, windows, appliances and lighting.

### **ELIGIBLE SERVICE AREAS**

The Williams Settlement Funds are the second resource being used by OHCS's Housing Division for weatherization of low-income multifamily rental housing. The other resource is the Public Purpose Collection (PPC) funds. The PPC funds are limited for use in the Portland General Electric (PGE) and PacifiCorp service territories. The PPC resources are limited to paying for shell measures (windows, doors, walls and insulation) only for projects using electric heat. The Williams Funds are much more flexible dollars and can be used anywhere in the state and are fuel blind (can be used on projects with any type of heat source). To best utilize the Williams Funds and assure that a variety of projects throughout the state have the advantage of accessing resources for weatherization; the Williams Funds will initially be targeted to:

- projects located outside of the PGE and PC service areas regardless of the heat source; and,
- projects within the PGE and PC service areas that do not use electricity as the primary heat source.

## **APPLICATION PROCESS AND EXPENDITURE OF RESOURCES**

The Williams Settlement Funds will be offered along with six other grant and tax credit resources through OHCS' Consolidated Funding Cycle (CFC). The CFC is a competitive application process with two rounds of funding held each year. The next round of funding is in the Spring 2005 and will be the initial round where the Williams Funds will be made available. Since the bulk of the applications funded through the CFC are in PGE and PPC service areas and use electric as the primary heat source, these applications will be eligible for funding through the Public Purpose Collection. We anticipate that the \$1 million in Williams Funds will therefore be available for projects ineligible for PPC resources for several funding rounds.

### **III. COMMUNITY RESOURCE DIVISION'S LOW-INCOME WEATHERIZATION PROGRAM**

#### **PROGRAM DESCRIPTION**

The OHCS Community Resource Division's allocation of Williams Funds for Low-Income Weatherization is \$850,000. The focus of these funds will be on lowering the long-term cost of energy for low-income households and improving their comfort, health & safety. Emphasis will be placed on serving eligible low-income households (see Attachment A for income eligibility), especially in rural areas of Oregon. The funds are fuel blind, which means they can serve households with all fuel types. Similar to the multi-family weatherization program, projects will include shell measures such as insulation in ceilings, walls and floors, replacement windows and doors, heating system repair and or replacement and energy-efficient appliances and lighting. Like all other OHCS weatherization programs, the Williams Funds will also be used to make minor repairs to the structure as needed to make the installation of energy efficiency improvements possible or to protect the improvements. Funds will be distributed through the existing weatherization network, as with the bill payment assistance. All housing types will be eligible including single family, mobile homes and multi-family. Weatherization services will be provided to both rental and owner-occupied dwellings.

Each dwelling to be weatherized will receive an on-site audit to determine all energy efficient improvements and repairs to be made. The audit has been approved by the U.S. Department of Energy for residential use. All energy efficient improvements will be performed by agency crews or licensed private contractors. Only those improvements that have been identified by the audit as "cost effective" will be installed. All energy efficiency improvements as well as repairs are inspected to assure proper installation and quality of work. Based on current production cost it is estimated that 340 residential units will be weatherized during this phase of funding.

#### **CONCLUSION**

OHCS is in a unique position to coordinate settlement funds such as the Williams Fund along with the other energy and weatherization programs that the agency administers. Reporting

and auditing systems are in place to assure funds are used appropriately and efficiently. The system for distribution of funds and delivery of services is effective, cost-efficient, and takes advantage of existing networks that already work with low-income households. It provides a model of collaboration that helps assure the multiple needs of low-income families are met by bringing together resources from the public and private sectors.

The OHCS energy programs funded by the Williams Settlement will have significant positive impacts in helping low-income Oregonians meet basic needs, both in short term and long term ways. The bill payment assistance administered in the Consumer Owned Utilities service area will help low income households deal with home heating crisis situations, and the related services provided by the Community Action Agency network will support those households in a transition toward self-sufficiency. The weatherization programs for both multi-family and single family homes will reduce home heating costs, improve the health and safety of low income housing, and increase the energy efficiency of affordable housing statewide.

## **Attachments**

### **For Bill Payment Assistance Program**

Attachment A	Poverty Guidelines
Attachment B	Client Characteristics
Attachment C	Vendor Payment Summary
Attachment D	Agency Allocation & Expenditure Report

## Attachment A

### POVERTY GUIDELINES

#### 100% Of Federal Poverty Guidelines for Oregon 2005

Size of Family Unit	Annual Income	Monthly Income
1	\$9,310.00	\$775.83
2	\$12,490.00	\$1,040.83
3	\$15,670.00	\$1,305.83
4	\$18,850.00	\$1,570.83
5	\$22,030.00	\$1,835.83
6	\$25,210.00	\$2,100.83
7	\$28,390.00	\$2,365.83
8	\$31,570.00	\$2,630.83
Each additional member	\$3,180.00	\$265.00

#### Income guidelines for Oregon 60% of Median Income (Oregon Statewide Average) 2005

Size of Family Unit	Annual Income	Monthly Income
1	\$18,802.00	\$1,566.83
2	\$24,587.00	\$2,048.91
3	\$30,372.00	\$2,531.00
4	\$36,157.00	\$3,013.08
5	\$41,942.00	\$3,495.16
6	\$47,727.00	\$3,977.25
7	\$48,812.00	\$4,067.66
8	\$49,897.00	\$4,158.08
Each additional member	\$1,085.00	\$90.41

## Attachment B

CLIENT CHARACTERISTICS				
Intake Date from 4/1/04 - 12/22/04				
<b>Agency Reporting: OHCS</b>				
<b>Sub Grantee or Program: Williams Fund</b>				
A. Total unduplicated number of persons about whom one or more characteristics were obtained:				3,867
B. Total unduplicated number of persons about whom no characteristics were obtained:				0
C. Total unduplicated number of households about whom one or more characteristics were obtained:				1,408
D. Total unduplicated number of households about whom no characteristics were obtained:				0
PERSONS		HOUSEHOLDS		
GENDER		HOUSEHOLD SIZE		
Male	1,678	1	369	
Female	2,182	2	331	
Unknown Gender	7	3	288	
AGES		4	233	
0 - 5	546	5	118	
6 - 11	561	6	45	
12 - 17	569	7	15	
18 - 23	307	8 or More	9	
24 - 44	1,100	Unknown Household Size	0	
45 - 54	422	INCOME SOURCE		
55 - 69	234	No Income	546	
70 & Over	128	AFDC/TANF	94	
Unknown Age	0	SSI	179	
ETHNICITY		Social Security	308	
Black/Not Hispanic	46	Pension	49	
White/Not Hispanic	2,737	General Assist	16	
Hispanic Origin	343	Unemployment Insurance	100	
Native American/Alaskan	90	Employment + Above	100	
Asian/Pacific Islander	40	Employment Only	478	
Unknown Ethnicity	611	Other	239	
EDUCATIONAL STATUS		Unknown	8	
0 - 8	70	Unduplicated # of Households		
9 - 12 Non Grad, Adult	349	Reporting Income Source	1,400	
High School Grad/GED	786	POVERTY LEVEL		
12 + Some Post Secondary	305	Up to 50%	527	
College Grad	132	51% - 75%	224	
Unknown Ed	243	76% - 100%	235	
OTHER CHARACTERISTICS		101% - 125%	173	
	<b>Yes</b>	<b>No</b>	<b>Unkwn</b>	
Health Ins	2,311	1,556	0	126% - 150%
Disabled	408	3,459	0	151% & Over
Veteran	145	3,722	0	Unknown Level
				0
HOUSEHOLD TYPE		HOUSE TYPES		
Single Parent, Female	419	Own	348	
Single Parent, Male	36	Rent	1,055	
Two Parent Household	228	Homeless	0	
Single Person	343	Other	0	
Two Adult/No Children	255	Unkwn Housing Type	5	
Other	63			
Unknown Household Type	64			
OTHER HOUSEHOLD CHARACTERISTICS				
	<b>Yes</b>	<b>No</b>	<b>Unkwn</b>	
Rec. Food Stamps	994	414	0	
Farmworker	35	1,373	0	
	<b>Farmer</b>	<b>Migrant</b>	<b>Seasonal</b>	
Farmworker Type	19	0	18	
*Number of Clients and Households may not compare to other reports due to possibility of counting in more than one category.				

## Attachment C

Vendor Payment Summary Intake Date from 04/01/2004 to 12/17/2004 WILLIAMS FUND 2004			
VENDOR NAME	# CLIENTS*	# HOUSEHOLDS*	TOT PMTS
BLACHLY-LANE ELEC. COOP	31	12	\$3,145
CANBY UTILITY BOARD	62	24	\$5,425
CENTRAL ELEC COOP	241	75	\$20,777
CENTRAL LINCOLN PUD	300	119	\$28,895
CITY OF ASHLAND	78	31	\$7,810
CITY OF BANDON	42	15	\$4,279
CITY OF FOREST GROVE	106	37	\$9,232
CITY OF MILTON-FREEWATER	29	8	\$2,730
CITY OF MONMOUTH	30	12	\$2,635
CLATSKANIE PUD	55	15	\$3,985
COLUMBIA BASIN ELECTRIC COOP	10	3	\$640
COLUMBIA POWER COOP	5	1	\$330
COLUMBIA RIVER PUD	230	80	\$18,733
CONSUMERS POWER INC.	133	47	\$12,428
COOS-CURRY ELECTRIC	115	43	\$12,025
DOUGLAS ELECTRIC	112	37	\$11,190
EMERALD PUD	90	35	\$8,950
EWEB	384	160	\$40,560
HARNEY ELECTRIC COOP	9	2	\$680
HERMISTON ENERGY SERVICES	25	8	\$2,040
HOOD RIVER ELECTRIC	28	8	\$2,600
LANE ELECTRIC COOPERATIVE	125	48	\$13,570
MAC WATER & LIGHT	129	54	\$12,100
MIDSTATE ELEC COOP	139	42	\$12,834
OREGON TRAIL ELECTRIC COOP	197	74	\$17,990
PUD-THE DALLES	74	26	\$6,931
SALEM ELECTRIC	173	56	\$14,690
SPRINGFIELD UTILITY BOARD	534	186	\$46,920
TILLAMOOK PUD	70	29	\$7,640
UMATILLA ELECTRIC COOPERATIVE	114	36	\$11,065
WASCO ELECTRIC	5	2	\$411
WEST OREGON ELECTRIC	38	9	\$2,618
<b>Sub Total COUs</b>	<b>3713</b>	<b>1,334</b>	<b>\$345,858</b>
AMERIGAS	18	14	\$785
AVISTA	42	17	\$3,387
BLUE MT OIL, INC.	2	1	\$330
CASCADE NATURAL GAS	75	25	\$4,501
DIRECT	16	8	\$2,260
FERRELLGAS, INC	1	1	\$150
JACKSON OIL, INC.	1	1	\$165
LAWRENCE OIL	5	1	\$100
MILES OIL COMPANY	1	1	\$70
MORROW COUNTY GRAIN GROWERS	2	1	\$150
NORTHWEST NATURAL	47	21	\$3,652
STAUB AND SONS PETROLEUM	8	4	\$22,940
TRI-COUNTY PROPANE	6	1	\$350
V-1 PROPANE	1	1	\$330
VILLAGE GREEN CHEVRON	1	1	\$150
WALTS TRUAX TEXACO	2	2	\$300
WEEKS OIL CO	4		\$520
<b>Sub Total Other</b>	<b>232</b>	<b>100</b>	<b>\$40,140</b>
<b>TOTALS</b>	<b>3945</b>	<b>1,434</b>	<b>\$385,998</b>

\* Number of Clients and Households may not compare to other reports due to possibility of split payments between primary and secondary heat sources.

## Attachment D

<b>Williams Settlement Fund</b>					
<b>Agency Allocation &amp; Expenditure Report</b>					
As of December 22, 2004					
<b>Agency</b>	<b>Allocation/ Expenditure</b>	<b>Admin- istration</b>	<b>Program Delivery</b>	<b>Program Payments</b>	<b>TOTALS</b>
ACCESS	Allocation	\$1,091	\$1,374	\$8,442	\$10,907
	Expenditure	\$1,091	\$1,374	\$8,410	\$10,875
CAO	Allocation	\$1,193	\$1,503	\$9,232	\$11,928
	Expenditure	\$0	\$0	\$9,232	\$9,232
CAPECO	Allocation	\$2,482	\$3,128	\$19,212	\$24,822
	Expenditure	\$2,340	\$3,128	\$19,205	\$24,673
CAT	Allocation	\$4,357	\$5,490	\$33,724	\$43,571
	Expenditure	\$4,357	\$5,490	\$33,708	\$43,555
CCSSD	Allocation	\$719	\$906	\$5,565	\$7,190
	Expenditure	\$719	\$906	\$5,550	\$7,175
CCN	Allocation	\$3,038	\$3,828	\$23,516	\$30,382
	Expenditure	\$3,038	\$3,828	\$23,391	\$30,257
COCAAN	Allocation	\$3,934	\$4,958	\$30,454	\$39,346
	Expenditure	\$3,680	\$1,729	\$33,019	\$38,428
CSC	Allocation	\$3,683	\$4,641	\$28,508	\$36,832
	Expenditure	\$3,683	\$4,641	\$28,508	\$36,832
HCSC	Allocation	\$345	\$435	\$2,673	\$3,453
	Expenditure	\$345	\$435	\$2,673	\$3,453
KLCAS	Allocation	\$461	\$581	\$3,568	\$4,610
	Expenditure	\$0	\$0	\$1,900	\$1,900
LCHHS	Allocation	\$15,884	\$20,013	\$122,940	\$158,837
	Expenditure	\$15,884	\$20,013	\$122,940	\$158,837
MCCAC	Allocation	\$2,032	\$2,561	\$15,730	\$20,323
	Expenditure	\$1,360	\$1,582	\$9,941	\$12,883
MWVCAA	Allocation	\$2,424	\$3,054	\$18,759	\$24,237
	Expenditure	\$1,745	\$769	\$18,665	\$21,179
SWOCAC	Allocation	\$2,612	\$3,291	\$20,218	\$26,121
	Expenditure	\$1,996	\$3,291	\$19,039	\$24,326
UCAN	Allocation	\$1,865	\$2,349	\$14,432	\$18,646
	Expenditure	\$1,865	\$2,349	\$14,410	\$18,624
YCAP	Allocation	\$1,537	\$1,936	\$11,895	\$15,368
	Expenditure	\$1,000	\$1,450	\$12,400	\$14,850
<b>Total</b>	<b>Allocation</b>	<b>\$47,657</b>	<b>\$60,048</b>	<b>\$368,868</b>	<b>\$476,573</b>
	<b>Expenditure</b>	<b>\$43,103</b>	<b>\$50,985</b>	<b>\$362,991</b>	<b>\$457,079</b>