

National Fuel ACCOUNTABILITY COALITION



SUSPENSION

National Fuel Accountability Coalition
345 Franklin St
Buffalo, NY 14202
June 27, 2011

Legislator Barbara Miller-Williams
427 Williams St
Buffalo, NY 14204

Dear Legislator Miller-Williams,

Gas bills in Western New York are often unaffordable due to older housing stock. Too many people have to make tough choices in order to afford their gas bills. **The National Fuel Accountability Coalition (NFAC), which is made up of fifteen organizations across Western New York, has been advocating weatherization as a solution to the crisis of high heating bills.** Weatherization would not only save energy, but would also lower gas bills and create much-needed green jobs.

For the past year, National Fuel has been circulating misinformation regarding NFAC recommendations for improving CIP. **National Fuel has been made aware of the Coalition's true intentions for improving the program, but continues to misrepresent Coalition objectives.**

The misinformation perpetuated by National Fuel is indicative of a company culture in a state of ethical crisis. While thousands of Western New Yorkers struggle to pay their bills, National Fuel paid its four top executives, including CEO David Smith, more than \$15 million last year and spent millions of dollars meant for conservation programs on advertisements featuring their logo.

In 2007 National Fuel was mandated by the state to run a \$10 million conservation program. National Fuel charges customers a conservation fee to fund the \$10 million Conservation Incentive Program (CIP).

Unfortunately, rather than prioritizing weatherization, in the past four years National Fuel has spent roughly \$6 million from the customer surcharge on commercials and advertising. Beyond lacking transparency and accountability, the current CIP doesn't prioritize the most cost-effective energy saving measure: a whole-house approach to weatherization. NFAC is recommending that, rather than leave administration of the \$10 million program to National Fuel, CIP money should be streamlined with the State's two successful energy efficiency programs: EmPower NY and Green Jobs - Green New York (GJGNY), both administered by NYSERDA.

NFG Misrepresentation: NFAC wants to spend CIP funds to rehab houses.

Truth: NFAC recommends expanding the focus on whole-house weatherization through the state programs EmPower NY and Green Jobs - Green New York. The whole-house approach that these programs use includes blown-in insulation, appliance replacements, air sealing, and window replacement. NFAC does not propose using CIP funds to "refurbish" houses on the West Side, but rather to ensure that CIP gets the biggest "green" bang for its buck. At no time has the Coalition or any of its members argued for using program funds to rehab or refurbish houses.

14M-10

NFG Misrepresentation: *NFAC wants CIP to benefit the West Side only.*

Truth: NFAC represents thousands of members across National Fuel's service territory. The current appliance rebate strategy isn't effective because high-efficiency furnaces are most impactful once a building has already been insulated. NFAC recommendations improve energy efficiency outcomes for all customers equitably, including commercial enterprises. At no time has the Coalition or any of its members argued for concentrating funds on the West Side.

NFG Misrepresentation: *NFAC wants CIP to benefit low-income people only.*

Truth: NFAC proposes making CIP retrofits and weatherization available to everyone, not just those who can afford the up-front costs of new appliances. While EmPower NY targets low-income customers exclusively, Green Jobs – Green New York makes available energy efficiency financing for customers from all income brackets, including commercial customers. Increased access means more jobs.

NFG Misrepresentation: *NFAC wants to eliminate green jobs created by CIP.*

Truth: NFAC's proposal will increase green jobs. By eliminating the millions of CIP funds that National Fuel spends on commercials each year, every public conservation dollar will be creating green jobs in the energy efficiency industry. By streamlining with GJGNY we can ensure that jobs are created where they are needed most. At no time has the Coalition or any of its Members advocated the fabricated set of labor standards National Fuel ascribes us.

For more information regarding the Coalition's proposed reforms for CIP, please contact us at info@nfgaccountability.com or 716.884.0256. Furthermore, we encourage you to come help hold National Fuel accountable at the public statement hearings with state regulators on July 6 at 3-6 pm & 7-9 pm at the Central Branch Library and July 7 at 2 pm at Cheektowaga Town Hall and at 7 pm at the Amherst Municipal Building. Please tell National Fuel to stop the lies and get serious about the crisis of high heating bills in Western New York.

Sincerely,

The National Fuel Accountability Coalition:

VOICE-Buffalo

PUSH Buffalo

F.A.T.H.E.R.S.

The Outsource Center

The Belle Center

Hispanics United of Buffalo

The Coalition for Economic Justice

SEIU 1999

Millions More Movement – Buffalo Local Action Committee

Prisoners are People Too

Erie County Prisoners' Rights Coalition

100 Mighty Men

Citizens Campaign for the Environment

Youth Planning Council

Niagara Organizing Alliance for Hope