

## **ECONOMIC OPPORTUNITY STUDIES**

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### **How to Pay for WAP and Other Leveraging Advocacy**

#### **The Big Source: DOE/WAP itself!**

The WAP statute allows a state to take program funds 'off the top' of the WAP grant to fund staffing and/or consultants, communications etc. to obtain non-federal leveraged funds. No limit is specified, but DOE will review state plans for reasonableness.

Most common uses:

- Legal assistance for regulatory proceedings provided through CAA Association or directly from state to lawyer/legal services.
- Staff time at CAA Association or a lead local Agency to secure, coordinate and/or monitor leveraged efficiency programs.
- Preparation of reports and materials regarding the programs and their results.

Don't miss the preparations for your State plan which is submitted by March of each year after public hearings! Local agencies should seek a budget for leveraging work as part of it! A plan requirement is that the issue of how the state's WAP resources are being used to generate non-federal resources.

*See the statute and regulations at our website under "Leveraging Tools".*

#### **The other federal source(s).**

**LIHEAP**- A state may use up to \$35,000 per year to support leveraging functions. The uses are like those listed for the WAP funds above. Some CAAs won REACH Grants that supported leveraging activity. HHS rejected several such proposals in '05.

**CSBG**- This valuable funding is used for all kinds of 'development' activity. ROMA reports now "count" the community changes made because of your efforts. CDBG may support your development staff for projects that leveraging housing-related financing.

#### **State /Regulatory Sources:**

A number of state Commissions have "intervener funding" to reimburse representatives of a group of ratepayers not otherwise represented once they are accepted as parties in a proceeding. \*

Housing and community development staff may be able to hire some attorney time to help with utility regulatory issues that would provide energy-related resources for their activities.

## The Freebies:

### #1 Your CAA/WAP/LIHEAP colleagues

Harder to organize, but precious, is the wealth of information in the experiences of others who have won or lost in similar battles. The NCAF annual energy programs leveraging conference assembles many such veteran experts to focus on leveraging experiences; other multi-purpose energy conferences are meeting grounds as well.

### #2 On-line information resources about leveraged energy programs and opportunities:

For more resources and ideas, visit the developing links and materials at Economic Opportunity Studies Weatherization Leveraging Project [www.opportunitystudies.org](http://www.opportunitystudies.org)

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- ❖ This may be the most solid form of funding for protracted regulatory interventions. If your state does not yet have intervenor funding, consider the following strategy used in IN as described by Mike Mullett in an e-mail to the NCLC list 2/2005:

*What CAC and some of its allies did in Indiana (over a period of twelve years) was:*

*(1) Establish the legal precedent that utility rate refunds represent "common funds" for the purpose of payment of attorney's fees and litigation expenses;*

*(2) Win a subsequent case in which customers were entitled to a very large refund and we were entitled to a very large award of fees and expenses; and*

*(3) settle with the Office of Utility Consumer Counselor in that case on an award of fees and expenses from the refund somewhat less than we would have otherwise been entitled in exchange for using those funds (\$3.0 million, plus interest) to endow the Indiana Utility Ratepayer Trust. See <http://www.in.gov/oucc/publications/IURT.html> . The Trust was established and began operation in 1997.*

*Subsequently, when CAC and its allies have reached settlements with utilities in cases in which Trust funds were used, or where the opportunity otherwise presents, we propose and push hard for a settlement provision for reimbursements and/or payments to the Trust.*

*So far, so good -- it is now 2005 and the Trust is still going strong and still funding important interventions by CAC, other consumer groups like AARP, United Senior Action and the Indiana Community Action Agency Association, environmental organizations like the Hoosier Environmental Council and Save The Valley, and numerous ad hoc groups of utility customers.*

*There is no guarantee, of course, that this approach would work everywhere, or even anywhere other than Indiana in the historical context of the 1980s and 1990s. But, it has worked to date for CAC and its allies in Indiana, so I pass it along for whatever its worth.*

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