

H B
9

COMMITTEE REPORT

HOUSE

3/19/81

FURTHER:

(5)

Date: 4-16-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had SSHB 9

"An Act relating to departments and programs of state government which are concerned with energy; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SSHB 9 same title
 new title
- and recommends CS SHB 9 DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the Finance Committee

MEMBERS SIGNING
DO PASS

[Signature]

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]
CHAIRMAN

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 9
 Title An Act Relating to Residential Energy Conservation
 Requested by Rogers Date February 4, 1981

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Division of Energy & Power Development

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		92.798	92.798			
200 TRAVEL		17.600	17.600			
300 CONTRACTUAL		2042.5	2000.			
400 COMMODITIES						
500 EQUIPMENT		.998				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		2153.896	2110.398			

FUNDING (Thousands of Dollars)

GENERAL FUND		2153.896	2110.398			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		3	3			
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The budget presented provides for sufficient support for the division to develop review standards and energy efficient blueprint analysis for buildings proposed for construction and the contractor to perform building design analysis of 5,000 proposed residences.

IV. DATE 2-24-81

PREPARED BY Christina M. Pankas
 AGENCY Division of Energy & Power Development
 PHONE 276-2508

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

100 Personal Services

\$92,798

1 Energy Specialist II (13 A) \$2,640/mo. x 12 mo. plus 25.5% payroll burden	\$39,758
1 Administrative Assistant I (12 A) \$1,761/mo. x 12 mo. plus 25.5% payroll burden	26,520
1 Technician I (12 A) \$1,761/mo. x 12 mo. plus 25.5% payroll burden	26,520

200 Travel

\$17,600

Training and Education Programs	
40 Trips @ \$300	12,000
80 Days Per Diem @ \$70	5,600

300 Contractual

\$2,042,500

Professional Services

Workshops, materials, blueprint analysis, audit evaluation	30,000
5,000 building blueprint analysis @ \$400	2,000,000

Other

Telephone, postage, copying, equipment rental advertising, space rental	12,500
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500 Equipment

\$998

2 Desks @ \$388	776
2 Chairs @ \$66	132
1 Bookcase @ \$90	90

TOTAL

\$2,153,896

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE AMENDED

I. REQUEST

Bill/Resolution No. C.S.S.S.H.B.9

Title "An Act Relating to departments and programs of state government...."

Requested by State Affairs Committee Date 4/16/81

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Energy and Power Development

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		1490.979				
200 TRAVEL		133.000				
300 CONTRACTUAL		5794.330				
400 COMMODITIES		46.400				
500 EQUIPMENT		59.398				
600 LAND & STRUCTURES		-0-				
700 GRANTS, CLAIMS, ETC.		20,581.000				
TOTAL		28,105.107				

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		28,105.107				
FEDERAL FUNDS		445.600				
OTHER (Specify Fund Source)		-0-				

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		52-1/6				
PART TIME		-0-				
TEMPORARY		-0-				

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Audits, Conservation Grants and Refunds and Low Income Conservation Assistance		Regional Offices		Regional and Local Government. Energy Management and Planning		Information Education	
100	744.647	100	467.186	100	60.834	100	218.312
200	60.000	200	56.000	200	6.000	200	11.000
300	3,991.067	300	130.600	300	1,632.300	300	40.363
400	23.000	400	15.000	400	.900	400	7.500
500	26.737	500	24.279	500	1.400	500	6.982
700	20,581.000						
TOTAL	25,426.451	TOTAL	693.065	TOTAL	1,701.434	TOTAL	284.157

IV. DATE April 21, 1981

PREPARED BY Clarissa Quinlan

AGENCY Division of Energy and Power Development

PHONE 276-0508

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE AMENDED

I. REQUEST

Bill/Resolution No. C.S. S.S. H.B. 9

Title "An Act relating to departments and programs of state government"

Requested by State Affairs Committee Date 4/16/81

Audits, Conservation Grants & Refunds & Low Income Energy Conservation Assistance

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Energy & Power Development

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES			744.647			
200 TRAVEL			60.000			
300 CONTRACTUAL			3991.067			
400 COMMODITIES			23.000			
500 EQUIPMENT			26.737			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.			20,581.00			
TOTAL			\$25,426.451			

FUNDING (Thousands of Dollars)

GENERAL FUND			25,426.451			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME			22 2/3			
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The budget presented provides sufficient support for the division to provide and administer a comprehensive program of energy audits, grants and refunds and low income energy conservation assistance.

IV. DATE April 21, 1981

PREPARED BY Clarissa Quinlan

AGENCY Division of Energy and Power Development

PHONE 276-0508

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

STATE PROGRAM OFFICE

Section 36
CSSSHB9100 Personal Services\$744,647

1	Energy Specialist III (21A)		
	\$3,313 x 12 mos. + 25.5% payroll burden	=	\$49,969
1	Administrative Officer (19A)		
	\$2,837 x 12 mos. + 25.5% payroll burden	=	\$42,725
1	Systems Analyst (18A)		
	\$2,692 x 12 mos. + 25.5% payroll burden	=	\$40,541
1	Accountant Supervisor (16A)		
	\$2,291 x 12 mos. + 25.5% payroll burden	=	\$34,502
2	Energy Specialist I (16A)		
	2 x \$2,291 x 12 mos. + 25.5% payroll burden	=	\$69,004
1	Administrative Assistant II (14A)		
	\$1,995 x 12 mos. + 25.5% payroll burden	=	\$30,044
2	Administrative Assistant I (12A)		
	2 x \$1,761 x 12 mos. + 25.5% payroll burden	=	\$53,040
4	Clerk Typist III (08A)		
	4 x \$1,393 x 12 mos. + 30% payroll burden	=	\$86,923
1	Clerk Typist II (07A)		
	\$1,319 x 12 mos. + 30% payroll burden	=	\$20,576
* 1	Switchboard Operator (07A)		
	\$1,319 x 12 mos. + 30% payroll burden	=	\$20,576
** 1	Energy Specialist III (21B)		
	\$3,441 x 12 mos. + 25.5% payroll burden	=	\$51,821
** 2/3	Energy Specialist III (21B)		
	\$3,441 x 00 mos. + 25.5% payroll burden	=	\$34,547
** 1	Clerk Typist III (08B)		
	\$1,433 x 12 mos. + 30% payroll burden	=	\$22,354
2	Accounting Clerk III (10A)		
	2 x \$1,564 x 12 mos. + 30% payroll burden	=	\$48,796

STATE PROGRAM OFFICE (Personal Serv. Cont.)

1	Personnel Technician (12A)	\$1,761 x 12 mos. + 30% payroll burden	= \$27,471
** 1	Grants Administrator (17B)	\$2,548 x 12 mos. + 25.5% payroll burden	= \$38,372
** 1	Energy Specialist II (18B)	\$2,736 x 12 mos. + 25.5% payroll burden	= \$41,204
** 1	Accounting Technician II (14B)	\$2,063 x 12 mos. + 30% payroll burden	= \$32,182

NOTE: * Existing State position not in FY'82 budget
 ** Existing federally funded positions for which no FY'82 federal money is anticipated.

200 Travel \$ 60,000

300 Contractual \$3,991,067

Printing of audit forms, homeowners and training manuals, water flow restrictors, outlet gaskets = \$ 305,000

Office expenses - space rental, copying, equipment rental, phones, etc. = \$ 136,615

Monitoring, evaluation, statistical analysis = \$ 275,000

Bill stuffers, quarterly newsletter, PSA production, newspaper ads, homeowner workshops (10 communities) = \$ 82,000

Energy auditor training and upgrading = \$ 150,000

Auditor contracts -
 5,080 audits @ \$100 = \$ 50,800
 26,210 audits @ \$60 = \$1,572,600 = \$1,623,400

Rural village and community education and technical assistance practice production = \$ 132,000

Weatherization contracts administrative costs = \$1,117,600

*** Supplemental administrative and accounting support = \$ 169,452

NOTE: *** A management study providing recommendations regarding program structure and the extent to which routine accounting functions may be contracted has been initiated. Pending results, it is possible these funds could be applied to personal services.

STATE PROGRAM OFFICE (Cont.)

400 Supplies \$ 23,000

500 Equipment \$ 26,737

5 Typing Desks @ \$433	= \$2,165
8 Regular Desks @ \$353	= \$2,824
5 Credenzas @ \$353	= \$1,765
10 Book Cases @ \$103	= \$1,030
8 Posturetilt Chairs @ \$205	= \$1,640
5 Executive Swivel Chairs @ \$177	= \$ 885
5 Calculators @ \$274	= \$1,370
1 Programmable Calculator @ \$650	= \$ 650
15 Side Chairs @ \$88	= \$1,320
16 Filing Cabinets @ \$252	= \$4,032
4 Storage Cabinets @ \$185	= \$ 740
1 Transcriber @ \$814	= \$ 814
6 Dictaphones @ \$200	= \$1,200
4 Tables @ \$165	= \$ 660
10 Dividers @ \$300	= \$3,000
3 Regular Desks @ \$353	= \$1,059
3 Chairs @ \$177	= \$ 531
2 Calculators @ \$274	= \$ 548
2 Files with Locks @ \$252	= \$ 504

700 Grants \$20,581,000

26,270 grants/refunds @ \$300	= \$ 7,881,000
5,080 residences weatherized @ \$2,500	= \$12,700,000

TOTAL \$25,426,451

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE AMENDED

I. REQUEST

Bill/Resolution No. C.S. S.S. H.B. 9

Title "An Act relating to departments and programs of state government..."

Requested by State Affairs Committee Date 4/16/81

Comprehensive Energy Conservation Program Regional Offices

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Energy & Power Development

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES			467.186			
200 TRAVEL			56.000			
300 CONTRACTUAL			130.600			
400 COMMODITIES			15.000			
500 EQUIPMENT			24.279			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			\$693.065			

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND			693.065			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME			15			
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The budget presented provides sufficient support for the division to establish regional offices for the regional coordination and support of the Comprehensive Energy Conservation Program.

Clarissa Quinlan

IV. DATE April 21, 1981

PREPARED BY Clarissa Quinlan

AGENCY Division of Energy & Power Development

PHONE 276-0508

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

COMPREHENSIVE ENERGY CONSERVATION PROGRAM
Regional Offices (Northwest/Arctic, Southwest, Interior,
Southcentral, Kodiak, Southeast)

	<u>100 Personal Services</u>	<u>\$467,186</u>
5	Energy Specialist II (18) 5 x \$2,640 x 12 mos. + 25.5% payroll burden = \$198,792	
2	Energy Specialist I (16) 2 x \$2,291 x 12 mos. + 25.5% payroll burden = \$ 69,005	
** 2	Energy Specialist I (16) 2 x \$2,291 x 12 mos. + 25.5% payroll burden = \$ 69,005	
6	Clerk Typist III (08) 6 x \$1,393 x 12 mos. + 30% payroll burden = \$130,384	
	 <u>200 Travel</u>	 <u>\$ 56,000</u>
	 <u>300 Contractual</u>	 <u>\$130,600</u>
	Space rental, phones, copying, equipment rental	
	 <u>400 Supplies</u>	 <u>\$ 15,000</u>
	 <u>500 Equipment</u>	 <u>\$ 24,273</u>
	 (Southwest, Northwest/Arctic, Kodiak & Interior Offices)	
	4 Typing Desks @ \$609	= \$2,436
	5 Regular Desks @ \$441	= \$2,205
	5 Book Cases @ \$129	= \$ 645
	4 Calculator: @ \$342	= \$1,368
	9 Chairs @ \$221	= \$1,989
	8 Side Chairs @ \$101	= \$ 808
	5 Files with Locks @ \$315	= \$1,575
	4 Storage Cabinets @ \$231	= \$ 924
	4 Tables @ \$206	= \$ 824
	4 Selectric Typewriters @ \$1,100	= \$4,400

NOTE: ** Existing federally funded positions for which no FY'82 federal money is anticipated.

COMP. ENERGY CONSERVATION PROGRAM (Equipment Cont.)

(Southeast and Southcentral)

2 Typing Desks @ \$433	= \$ 866
4 Regular Desks @ \$353	= \$1,412
3 Book Cases @ \$103	= \$ 309
2 Calculators @ \$274	= \$ 548
6 Chairs @ \$177	= \$1,062
4 Side Chairs @ \$88	= \$ 352
3 Files with Locks @ \$252	= \$ 756
2 Storage Cabinets @ \$185	= \$ 370
2 Tables @ \$165	= \$ 330
1 Selectric Typewriter @ \$1,100	= \$1,100

TOTAL

\$693,065

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE AMENDED

I. REQUEST

Bill/Resolution No. C.S. S.S. H.B. 9

Title "An Act relating to departments and programs of the state government"

Requested by State Affairs Committee Date 4/16/81

Regional and Local Government Energy Management and Planning

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Energy and Power Development

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES			60.834			
200 TRAVEL			6.000			
300 CONTRACTUAL			1,632.300			
400 COMMODITIES			.900			
500 EQUIPMENT			1.400			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			\$1,701.434			

FUNDING (Thousands of Dollars)

GENERAL FUND			1,701.434			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME			1.5			
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The budget presented provides sufficient support for the division to carry out the provisions of Section 36 "Comprehensive Energy Conservation Program" pertaining to energy conservation planning.

IV. DATE April 21, 1981

PREPARED BY Clarissa Quinlan

AGENCY Division of Energy and Power Development

PHONE 276-0508

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

REGIONAL ENERGY PLANNERS

<u>100 Personal Services</u>		<u>\$ 60,834</u>
1	Energy Specialist III (21A) \$3,318 x 12 mos. + 25.5% payroll burden	= \$49,969
1/2	Clerk Typist III (08) 1/2 x \$1,393 x 12 mos. + 30% payroll burden	= \$10,865
<u>200 Travel</u>		<u>\$ 6,000</u>
<u>300 Contractual</u>		<u>\$1,632,300</u>
	Professional service contracts within each Native region - 12 regions @ \$60,000	= \$720,000
	Included are travel costs to villages within each region	
	Training and technical assistance	= \$ 30,000
	Space rental, equipment rental, copying, printing, phones, etc.	= \$ 7,300
	One-time municipal energy management and planning grants - 35 Home Rule and First Class cities @ \$25,000	= \$875,000
<u>400 Supplies</u>		<u>\$ 900</u>
<u>500 Equipment</u>		<u>\$ 1,400</u>
	1 Regular Desk @ \$353	= \$353
	1 Swivel Chair @ \$177	= \$177
	1 Filing Cabinet @ \$252	= \$252
	1 Book Case @ \$165	= \$165
	1 Dictaphone @ \$200	= \$200
	1 Side Chair @ \$88	= \$ 88
	1 Table @ \$165	= \$165
TOTAL		<u>\$1,701,434</u>

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE AMENDED

I. REQUEST

Bill/Resolution No. C.S. S.S. H.B. 9

Title "An Act relating to departments and programs of state government"

Requested by State Affairs Committee Date 4/16/81

Energy Information, Education and Technical Assistance

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Energy and Power Development

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES			218.312			
200 TRAVEL			11.000			
300 CONTRACTUAL			40.363			
400 COMMODITIES			7.500			
500 EQUIPMENT			6.982			
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			\$284.157			

FUNDING (Thousands of Dollars)

GENERAL FUND			284.157			
FEDERAL FUNDS			445.600			
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME			13			

ENERGY INFORMATION, EDUCATION & TECHNICAL ASSISTANCE

100 Personnel Services \$218,312

- 1/2 Energy Specialist III (21A)
\$1,720 x 12 mos. + 25.5% payroll burden = \$25,910°
 - 1/2 Energy Specialist II (18A)
\$1,320 x 12 mos. + 25.5% payroll burden = \$19,879°
 - ** 1/2 Energy Specialist II (18B)
\$1,368 x 12 mos. + 25.5% payroll burden = \$20,602°
 - ** 3/4 Energy Specialist II (18F)
\$1,576 x 12 mos. + 25.5% payroll burden = \$35,613°
 - 2 & Energy Specialist I (16A)
1/2 2 x \$1,145 x 12 mos. + 25.5% payroll burden = \$34,487°
 - 1/2 Administrative Assistants (12A)
of 2 2 x \$880 x 12 mos. + 25.5% payroll burden = \$26,112°
 - ** 1/2 Clerk Typist IV (09B)
\$760 x 12 mos. + 30% payroll burden = \$11,856°
 - ** 2 & Clerk Typist III (08A)
1/2 2 x \$696 x 12 mos. + 30% payroll burden = \$21,715°
 - 1/2 Clerk Typist III (08A)
of 2 2 x \$696 x 12 mos. + 30% payroll burden = \$21,730°
- °1/2 of amount will be paid with federal funds.

200 Travel - \$22,000 \$ 11,000

°1/2 of amount will be paid with federal funds.

300 Contractual \$ 40,363

Space rental, copying phones, equipment rental, etc.
= \$80,727°

Workshops and seminars, brochures, handouts, mini-grants
to communities = \$192,140*

-0-

°1/2 of amount will be paid with federal funds

NOTE: ** Existing federal positions

° 1/2 of amount will be paid with federal funds.

* Will be paid with federal funds.

ENERGY INFO., EDUCATION, TECH. ASSIST. (Cont.)

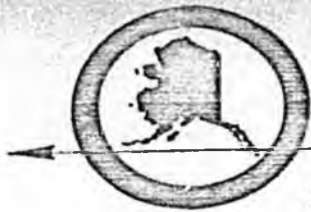
400 Supplies - \$15,000 \$ 7,500°

° 1/2 of amount will be paid with federal funds.

500 Equipment \$ 6,982

- 2 Typing Desks @ \$433 = \$ 866
- 5 Regular Desks @ \$353 = \$1,765
- 3 Book Cases @ \$103 = \$ 309
- 7 Chairs @ \$177 = \$1,239
- 4 Side Chairs @ \$88 = \$ 352
- 3 Files with Locks @ \$252 = \$ 756
- 1 Dictaphone @ \$200 = \$ 200
- 3 Tables @ \$165 = \$ 495
- 5 Dividers @ \$200 = \$1,000

TOTAL \$284,157



ombudsman

Frank Flavin

June 4, 1981

Charles R. Webber
Commissioner
Department of Commerce and Economic Development
Pouch D
Juneau, Alaska 99811

State of Alaska

Reply to:

- 840 K Street, Room 203
Anchorage, Alaska 99501
(907) 276-4011
- Pouch W0
Juneau, Alaska 99811
(907) 465-4970
- P.O. Box 74358
Fairbanks, Alaska 99707
(907) 452-4001

Re: Ombudsman Complaints F80-0842,
F80-0872, F80-0995, F80-1173,
F81-0192, F81-0193, and
F81-0376

Dear Commissioner Webber:

As of June 2, the Office of the Ombudsman has received 27 complaints concerning the energy audit program. This letter presents the results of our investigations of 7 of these complaints; 16 have been resolved without investigation and 4 are now being investigated.

We recognize that this program was new to your department and the state. Many of the problems encountered have been rectified by your staff and major modifications to the program are being considered by the Legislature. The possibility of supplemental funding and/or renewed funding for energy audits in FY 82 and the personnel turnover in key positions in two divisions underscore the importance of improvements in the energy audit program.

ENERGY AUDITOR TRAINING:

F80-0842

On October 24, 1980, complaint F80-0842 was filed in our Fairbanks office. The complainant alleged inadequate notice was given about registration for energy auditor training. The complainant stated that information about the November 3-8 training session was provided too late to allow the complainant to make plans to take the course. The complainant wanted the course postponed.

F80-0872

On October 29, 1980, complaint F80-0872 was filed in our Fairbanks office. The complainant stated that information about the energy auditor training was very difficult to obtain and the first class at Tanana Valley Community College (TVCC) was filled by the time he learned when it was to take place. The complainant was upset about the poor communication between the Division of Energy and Power Development (DEPD) and the public.

Our investigation revealed:

DEPD had compiled a list (from inquiries about the program) of people interested in energy audit training. Those on the list were notified of registration details for the November 3-7 course in Fairbanks in a letter mailed from Anchorage on October 23. The letter stated "Pre-registration is encouraged and will be accepted by phone starting 9 A.M. on 27 October 1980." On Tuesday, October 28, an article describing the training program appeared in the Fairbanks Daily News Miner and on October 29 and 30, the DEPDP's ad appeared. Both advised interested persons to contact the TVCC registrar's office for the week-long course starting November 3. The ad also included the DEPDP's Anchorage phone number for further information. No Fairbanks number was available.

The response to the letter was larger than expected. Kyle Weaver, DEPDP's Program Manager for Conservation Programs, indicated the 40 positions in the first class were filled by Wednesday, October 28 (before DEPDP's ad appeared). The waiting list for the next class (December 8-12) soon grew to almost 70 names.

Findings:

Complaints F80-0842 and 872 are justified. The DEPDP's letter was mailed 10 days before the class started and the newspaper advertisement first appeared 5 days prior to the class. A clear advantage was provided to recipients of the letter, since the registration was closed before the ad appeared. It would have been fair to the public if the registration for the energy auditor training had opened after the newspaper advertisements. Registration for the first class was not open to the public on an equitable basis.

The DEPDP's proposed budget for FY 82 includes full-time positions in Fairbanks. The legislature is now considering this proposal. Future energy auditor training programs will be handled by the community college system. These changes should preclude problems similar to those associated with complaints F80-0842 and F80-0872.

Recommendation:

A full-time DEPDP position in Fairbanks would improve the dissemination of information about the program to all interested persons. Additionally, problems could be prevented and dealt with in a more expeditious manner.

F80-0995

On November 18, 1980, complaint F80-0995 was filed in our Fairbanks office. The complainant alleged unfair registration procedures for energy audit classes. The complainant signed up near the top of the list for the next class at TVCC but subsequently learned registration had closed and he was not on the class list. The complainant felt the directions on the sign-up list were deceiving.

Our investigation revealed:

The sign-up list referred to by the complainant appeared under the following heading:

Second list of people for class offered December 8. These people were to be called by the course organizers in Anchorage and told when the next course offering would be. They were to be told to call the registration office and ask to be placed on the next waiting list. (This portion was typewritten.)

Waiting List For Next Class Session (handwritten)

Sixty eight names were on the list, with phone numbers alongside the names; addresses were not included.

The DEPD had a private firm in Fairbanks call the phone numbers on the list to notify the people of the date registration opened at TVCC. Registration was on a first-come, first-serve basis. The complainant was not reached by phone and upon contacting the registrar's office, was informed the class was full.

Robert Walton of our Fairbanks office discussed this matter with John Munson, Manager of the Energy Audit Program, and Marsha Heckman, of the TVCC registrar's office. They explained the TVCC's registration policy and the intent of the sign-up list. They indicated it was not a registration list but a "to be notified" list. All the phone numbers on the list were called, but if no one answered, there was no way to contact the person. This is apparently what happened to the complainant.

Finding:

Complaint F80-0995 is partially justified. The sign-up sheet's typed heading appears to have been typed after the people signed the list. The confusion over the meaning of the list would have been prevented if the heading had provided the proper information. In addition, a column for mailing addresses would have eliminated the problem caused when phone contacts were not made.

Recommendation:

Since the community college system will be handling registration, DEPD shouldn't be encountering this problem again. Waiting lists, however, should have clear explanations of their purpose and should request both phone numbers and mailing addresses.

F81-0192

On February 17, 1981, complaint F81-0192 was filed in our Fairbanks office. The complainant successfully completed the January 12-17 energy auditor training course in Fairbanks. After being certified as an energy auditor, the complainant found out (on February 17) that no more contracts would be signed due to a lack of funds. He alleged that, although limited funding was mentioned, no notice was given to the class that the funds might run out entirely and therefore no contracts would

be available. The complainant felt that the class was a waste of one week's work because of this lack of funds and would not have taken the course if he had known no contracts would be available.

Our investigation revealed:

Several energy auditor training classes, including the January course in Fairbanks, were conducted as audit funds were being committed. Certified auditors in these classes were not able to obtain contracts to do energy audits.

According to Jan Brewer, Energy Specialist III, there was no way to anticipate the exact level of funds remaining when students in the last classes were certified. Several variables, including the number of audits completed by contractors, determined the funds available for the last classes. Nancy Gross, contracting officer for DEPD at the time, indicated the class was told about the uncertainty of funding levels. The students were advised not to quit their jobs due to uncertainty regarding funding and the availability of contracts. Kyle Weaver reaffirmed this statement. Robert Walton contacted four other students who attended the January class, and three agreed that something was said about limited funding and did understand the budget constraints. One student indicated the class was led to believe funds would be available.

Findings:

Complaint F81-0192 is indeterminate. It is clear that the DEPD staff did mention budget limitations but it is not clear exactly what, if anything, was said about the possibility of no contracts being available for certified students.

Recommendations:

The DEPD should provide current information in writing about funding levels and prospects for obtaining audit contracts to the community college system, all energy audit students, and contractors.

ENERGY AUDIT CONTRACTS:

PUBLIC PERSPECTIVE:

F80-1173

On December 18, 1980, complaint F80-1173 was filed in our Fairbanks office. The complainant had difficulty obtaining a list of energy auditors and alleged a lack of effectiveness and accountability regarding the energy audit program in Fairbanks.

Our investigation revealed:

The complainant's immediate problem was obtaining a list of energy audit contractors. The Division of Business Loans (DBL) had referred the complainant to the audit coordinator (Interior Dwelling Association) who referred the complainant back to DBL. Robert Walton explained to

the complainant that the Division of Business Loans had a list of contractors but couldn't read it over the phone. The list could, however, be obtained in person or by mail.

The complainant's concerns about the apparent lack of organization and control of the program in Fairbanks were symptomatic of the program's newness. Many of the referral and information problems were resolved after the Division of Business Loans, Interior Dwelling Association and DEPD (Anchorage) offices had time to coordinate their activities.

Finding:

Complaint F80-1173 is justified. Many of the early problems of communication and coordination were resolved. The part-time nature of the coordinator's position, the lack of a DEPD "authority" in Fairbanks and the high level of interest contributed to continuing problems of coordination and information flow. Coordination between DEPD and DBL is essential to make the energy audit and energy loan programs successful.

Recommendation:

The Divisions of Energy and Power Development and Business Loans should carefully coordinate their roles in the various programs before additional audits are made available. The two divisions should take steps to ensure efficient dissemination (in Fairbanks and statewide) of accurate information regarding all aspects of the energy audit-related programs.

F81-0193

On February 27, 1981, complaint F81-0193 was filed in our Fairbanks office. The complainant alleged the distribution of money for energy audits was unfair and that rural areas were not getting a fair share.

Our investigation revealed:

Jan Brewer told Robert Walton that the distribution of energy audit money was initially done by the DEPD based on the population and degree days of each area. In addition, consideration was given for local unemployment and area accessibility (some villages have not received any audits due to a lack of trained auditors). On May 18, Larry Roetto, DEPD's new contracting officer, provided Robert Walton with the following information:

Place	"Fair share" of audits - population, degree day, etc.	Audits allocated prior to 5/18
Anchorage	2908	2108
Fairbanks	850	1700
District 11 (Eastern AK)	139	160
Juneau	304	500
Kodiak	150	108

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Mr. Roetto indicated that, during May, a small number of remaining audits were being allocated among those areas that had not received their "fair share." According to Ms. Brewer, the number of audits per contractor also varied from 50 in Fairbanks to 10 in Delta.

Ms. Brewer and Larry Roetto also indicated the formula for distributing supplemental audit moneys (if appropriated) has been revised and will be based on population and the number of available auditors in each area.

Finding:

Complaint F80-0193 is justified. The distribution of audits has not been equitable based on population and degree day. The number of audits allocated to several areas is significantly less than the "fair share" number for that area when population and degree day are considered. The newness of the program, the different levels of interest, and the difficulties in training auditors in rural areas has contributed to these inequities.

Recommendation:

If and when additional moneys are appropriated for energy audits, consideration should be given to the number of audits already received in each area. DEPD should take steps to ensure equitable distribution of audits statewide to the maximum extent possible.

PROGRAM EFFECTIVENESS:

F81-0376

On April 7, 1981, complaint F81-0376 was filed in our Fairbanks office. The complainant alleged that audits completed in accordance with instructions from DEPD are, in many cases, inadequate since they fail to provide information required by DBL to complete the loan applications.

Our investigation revealed:

Our office received numerous comments from auditors and homeowners questioning the technical accuracy and effectiveness of the audit form and its application to Alaska.

On April 7, 1981, Robert Walton spoke with Willis Greimann of the Fairbanks DBL office and David Massey, Deputy Director of DBL. Both agreed that DBL has had problems with loan applications based on energy audits. The problem of incomplete information on specific conservation measures was mentioned as one problem encountered by DBL loan personnel. The example cited was an audit recommendation to "insulate the walls", without specific information as to which wall, what kind of insulation, how much, etc. Problems such as this could result from inadequately completed forms, inadequacies in the form itself, or lack of understanding of the forms on the part of the users.

On April 10, Jan Brewer told Robert Walton the audit forms were developed without the input of DBL. She explained that when the energy audit program was initiated, DBL lacked technical experience regarding energy loans and did not know what its needs would be.

Terry Duszynski, coordinator of the energy audit program in Fairbanks for DEPD, indicated to Mr. Walton that he was aware of problems associated with completed audits that auditors were not obliged to redo. These audits did not supply all the information required by DBL, even though they were approved by DEPD. In some cases, energy auditors were being asked to perform additional calculations for DBL on their own time in order to complete the loan applications.

Finding:

Complaint F81-0376 is justified. There is need for improvement in the end product utility of the energy audit process. The legislature is currently considering bills that would modify the energy audit program, and DEPD has proposed that a contractor be hired to revise the audit forms. Whatever the modifications, the ability of homeowners and DBL to use the audits is directly related to the quality, completeness, and comprehensibility of the audits. Coordination between DEPD, DBL, the contractors working on revision of the audit forms, and the auditors is essential for the program to work.

Recommendations:

The audit form and process should be revised. Its effectiveness needs to be improved from technical, comprehensibility, and implementation perspectives. The contractor for the audit revision should consult with DBL and experienced auditors and DBL personnel should be trained in the interpretation and application of the forms.

SUMMARY OF RECOMMENDATIONS:

<u>Complaint Number</u>	<u>Summary of Recommendation</u>
F80-0842 and F80-0872	Establish full-time DEPD position in Fairbanks.
F80-0995	Clearly explain waiting lists and request addresses.
F81-0192	Prepare written, current information about funding levels and contract prospects.
F80-1173	DEPD, DBL should coordinate information dissemination.
F81-0193	DEPD and DBL should consider the number of audits already received in each area.

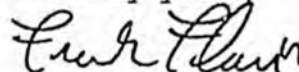
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F81-0376

Revise forms, and include input from
DBL and experienced auditors and
train DBL loan officers.

Thank you for the cooperation and patience of the Divisions of
Energy and Power Development and Business loans during the course of
these investigations. We are requesting that you respond to our
recommendations within thirty days. If you or your staff have any
questions or desire further clarification, please contact Robert Walton
in our Fairbanks office.

Sincerely yours,



Frank Flavin
Ombudsman

FF/RGW:jb

cc: Representative Brian Rogers
Representative Terry Gardiner
Representative Mike Miller
Lloyd Pernela, Director, DEPD
Sharon Traylor, Director, DBL
Jan Brewer, DEPD
David Massey, DBL
David LaBlond, Assistant Attorney General