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"Energy Crisis in the Urban Community"

Conference Keynote Address

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When the lights went out around Boston for a few hours a few weeks ago, it was not real hardship for most folks. People do the best they can with what they've got: if the electric current is off, they defrost, have a picnic, light a candle.

A little power outage is a bit frivolous--like the figure of Lyndon Baines Johnson prowling the White House at night, turning off lights. If only he could have switched off the light at the end of the tunnel! As you know, LBJ led us through great social and economic progress, but let an unwanted war take some of it away. Violence overseas and at home helped convince just enough voters to replace an old Johnson with a "new Nixon." At Filene's, that would be called an "uneven exchange."

Now another President has declared war--or "the moral equivalent" of it--and has enlisted us to march against the energy enemies. President Carter knows I'm eager to serve. I'm an enthusiastic volunteer, willing to make sacrifices. But I am with you this morning to draw the line: The crusade for a safe energy future must not sacrifice the health and the very survival of our poorest citizens.

Sacrifice is noble, and necessary for the Nation as a whole. But prices for food, and shelter, and energy have pushed many poor Americans down next to a narrow line known as survival. There's a lot of talk about "belt-tightening," but what if you've run out of notches? Then the grand plans to junk our foreign energy dependency are pointless. Next winter the lives of poor people in Boston may be endangered by federal indifference. Those who aren't already bedridden in a cold room probably won't take it lying down. Our poorest citizens can't wait--and I won't wait--until next winter to demand action on an energy burden that has been escalating for years.

Today I want first to describe the severity of the particular "energy crisis" faced by the poor. Then I will outline the President's plan for relief. (One measure of the problem we face in Washington is that Carter's day-late and dollar-short proposal is something of a long-shot.) And then I will announce--for the first time--my *Program* ~~own legislative plan~~. It's a comprehensive package that would protect our most vulnerable residents from the costly results of our new energy policies, and from the past effect of our recent drift in energy policies.

Energy Crisis for the Poor

Energy costs are sure to keep rising. In a severe winter, some families may allow their heat to fall to an unsafe level. Then, medical bills may wipe out any saving on the heating bill. Also, in a national energy shortage, low-income employees would tend to be laid off fast at the site of economic dislocations. If a low-earning worker should be unable to buy gas rationing stamps in such a crisis, he or she could be the very first one to be laid off.

Especially in New England, the problems are made worse. The housing is older than the national average; the weather is colder. Oil dependence is greater, and energy costs are much higher. In some Boston neighborhoods, 9 out of every 10 housing units have no insulation at all. The heating systems particularly, and the housing in general, need maintenance.

Compared with 1972 levels, poor Americans paid out \$8 billion more last year than they would have if energy prices had risen at the general rate of inflation. Energy price hikes above the basic inflation rate since 1972 have cost each low-income household over \$500 in lost purchasing power.

These conditions call for a complete overhaul of existing energy programs to help poor people. Current efforts are miniscule and poorly managed. In his televised address earlier this month, President Carter mentioned the need to protect poor Americans from high oil prices during decontrol. But the bottom line on his plan was disappointing: it's awfully late to wait for so little.

The centerpiece of the President's overall energy plan is phased decontrol of oil. He was right when he said we're going to have to use less and pay more for it. According to the New England Congressional Caucus, decontrol will cost the average family in our region \$113 extra per year.

The proposal included a trust fund financed by a windfall profits tax. Part of it would provide a maximum of \$100 per family for increased energy costs. Compared with what's happened to energy prices since before the oil embargo of 1973-74, that's peanuts. And I cannot support decontrol--which admittedly the President has the power to order--unless energy relief to low-income households is funded well above a token level.

Energy Plan to Protect the Poor

So let me announce my own comprehensive plan to protect low-income Americans from zooming energy prices. Its pieces fall into the following areas:

- * Income Assistance
- * Weatherization
- * Crisis Intervention
- * Renters Assistance
- * Mass Transit
- * Local Government Assistance
- * Appropriate Technology and Renewables
- * Education

I can't explain each specific proposal in the detail it deserves, but I'll outline the plan and have time for questions later.

Vague

The income assistance would provide an average of over \$500 to poor families in Massachusetts. It would go to households earning less than 25% above the federal poverty level that spend over 10% of their income on energy. Aid would be through a credit line with the principal energy supplier.

might or direct to recipients of public assistance.

could be a Bill

The federal weatherization program has been bungled under the Department of Energy. It should be shifted to the Community Services Administration even though the CSA's energy office is badly understaffed. CSA's experience dealing with the poor should earn it the new authority and more staff.

D.O.E. Administration

Under the Energy Department, weatherization efforts have been mismanaged and miniscule. The Department relied on CETA jobs for labor. There was too little training, and the work assignments were far too brief. Last month one third of all Community Action Program agencies had no CETA workers and no weatherization crews. Now, as funds for materials are increasing, the workforce is declining. It has been, in brief, a boondoggle.

The principle of weatherization is sound; it is fundamental. But a beefed-up program should pay more attention to basic repairs. Furnace tune-ups are useless if windows are broken. Attic insulation is a luxury if the roof leaks. More of these funds should be allowed for repairs, with better coordination with HUD's rehabilitation programs.

The third part of my program--crisis intervention--is also fundamental. The existing program has been helpful, but funding has usually arrived too late. Money for such a service must be ready by September so that crises can be averted. This year's budget request is only \$40 million, compared with \$200 million in past years. I will fight to increase it.

and winters

There must be assistance for renters as well as homeowners in any comprehensive plan. If you're in a three-decker in Dorchester, paying for your own utilities, then the landlord has no incentive to weatherize. Rent control also works to discourage weatherization investment that would conserve energy. In cases where the landlord pays for utilities and averages them into the rent, we need new ideas to encourage action. I suggest that the government provide weatherization services in exchange for a legal agreement that energy savings will be passed along to tenants.

(one possibility)

Mass transit is another antidote to soaring energy costs. As prices force more riders onto buses and trains, service will deteriorate. The poor and the elderly are most dependent on mass transit. With the energy crunch bound to get worse in coming years, the President's plan to add \$300 million per year to mass transit from the proposed fund is insufficient.

Local government assistance has been neglected in energy programs. It is the traditional arrogance of technology to suppose nuclear power and other neat scientific "fixes" will solve our energy problems. It's

time to pay attention to local government decisions that impact on energy. Local officials handle traffic laws, zoning, property tax abatements, building codes, public housing and schools.

I'm cosponsoring the Local Energy Management Act of 1979 to get local officials involved. It would encourage them to consider conservation and renewable resources in all their decision-making.

(One of 2)

As we shift to renewables and appropriate technology for our energy future, the government must help ensure that poor neighborhoods aren't left behind. I support solar energy demonstration projects placed in low income sites. Some of the jobs generated should provide income and training to local residents.

(Grant Prog + Info Service)

The National Center for Appropriate Technology should be expanded. It provides information, research and grants for appropriate, small-scale energy uses in communities. Another worthwhile federal investment in low-income neighborhoods would be to make solar and conservation tax credits refundable. In this way, families owing no tax would be encouraged to invest in very small-scale, appropriate systems like wood-burning stoves.

Low Income Solar Grants Program

The final part of the plan--education and outreach--is one of the areas in greatest need of improvement. Why should a family in Roxbury be forced to leave their freezing apartment next winter because they didn't know basic ways to stretch their fuel oil? To choose just one example, they could wrap plastic sheets around their screen windows for better insulation. It might not be beautiful, but it's small, appropriate, and it works.

The Energy Department is learning by error how to get its message through to the people who need information most. Its budget for public information was cut significantly for fiscal year 1980. The Department ought to be using local groups with constituencies and credibility--like the League of Women Voters, labor unions and civic groups--to penetrate communities with its message. I will try to ensure it legislatively this year.

This is an outline of a comprehensive program to protect poor people as we all grapple with a crisis in energy. It's not just a matter of more money, although more is needed in the name of simple fairness. The government must manage more effectively and efficiently. It's also a matter of communication and coordination. Washington's track record on these questions is poor.

Properly managed, these initiatives of income support, conservation, appropriate technologies, and spreading the energy message will pull people together. They can help neighborhood stabilization and revitalization, increase skills in the community, and boost economic development.

One final comment on city life--whether rich or poor--in this period of looming energy scarcity. Many experts peer into the future and see the energy crisis as a great catalyst to urban revitalization. I think they're right. The federal government must keep the faith with the urban poor. And if you hold your ground through these hard years--and Washington must help--you may well find much better years ahead.