

ACEEE's Leading with Equity Initiative: Lessons Learned in Advancing and Measuring Energy Equity

Dr. Amanda Dewey

Local Policy Research Manager

American Council for an Energy-Efficient Economy



American Council for an Energy-Efficient Economy



The American Council for an Energy-Efficient Economy is a nonprofit 501(c)(3) founded in 1980. We act as a catalyst to advance energy efficiency policies, programs, technologies, investments, & behaviors.

Our research explores economic impacts, financing options, behavior changes, program design, and utility planning, as well as US national, state, & local policy.

Our work is made possible by foundation funding, contracts, government grants, and conference revenue.

aceee.org @ACEEEdc

ACEEE
American Council for an Energy-Efficient Economy

Presentation objectives

1. Learn about ACEEE scorecards and their role in educating and motivating cities, states, and utilities to advance energy efficiency
2. Understand the goals and approach of ACEEE's Leading with Equity initiative to embed equity considerations in our scorecards
3. Identify priority actions that your jurisdiction can take to advance an equitable energy future from the database of scorecard metrics and priority actions

How Can We Achieve an Equitable Energy System?



Structural Equity

Decision makers **recognize the historical, cultural, and institutional dynamics** that have led to clean energy inequities

Decision-makers **reform programs that perpetuate disparities** and build programs that are equitable for all residents



Procedural Equity

Decision makers **create inclusive and accessible processes** for developing and implementing clean energy programs

Community members have **authentic leadership roles** that define, drive, and hold accountable clean energy policy and program decisions and outcomes



Distributional Equity

Clean energy policies and programs **fairly distribute the benefits and burdens** across all segments of communities

All residents enjoy the benefits of clean energy programs—such as lower bills, clean energy jobs, clean energy investment, and community wealth—and no community shoulders unjust burdens



Transgenerational Equity

Decision makers **consider the impact on future generations** of the clean energy policies and programs they develop.

Decision makers create solutions that **benefit future generations** and eliminate practices that could place unfair burdens on our children





An Equitable Energy System...



Institutionalizes accountability for achieving equitable outcomes from government, utilities, and other stakeholders



Embeds inclusive, accessible, and authentic community engagement in the development of policies and programs



Recognizes and addresses historical, cultural, and institutional dynamics and structures that created past and current inequities



Ensures representation, power, and influence from community members and/or environmental justice advocates in decision-making and implementation processes



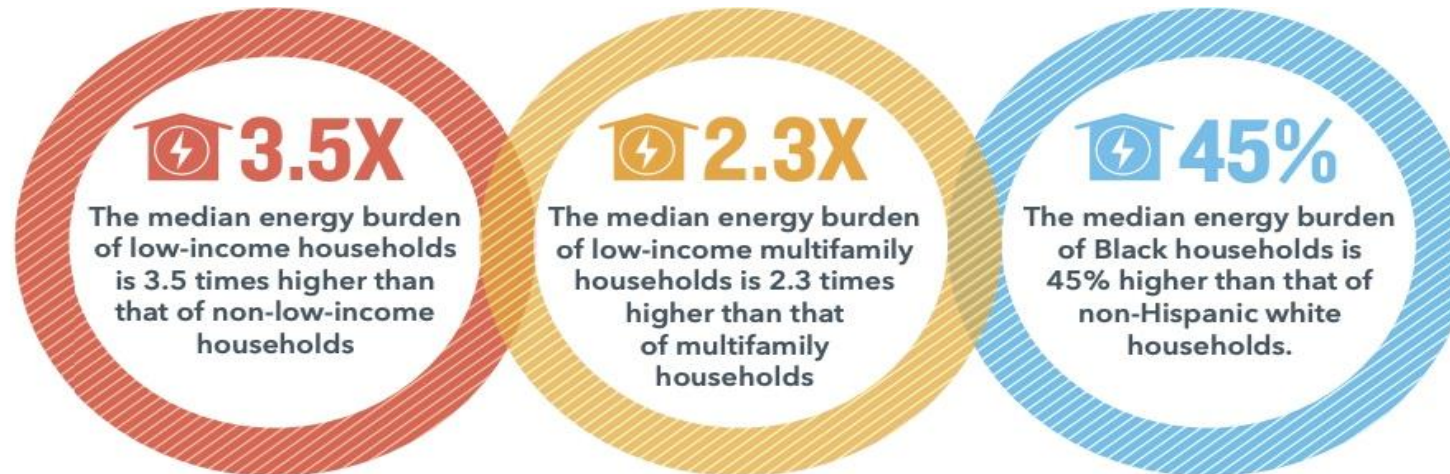
Considers intergenerational impacts and does not create policies or programs that unjustly burden future generations



Achieves a fair distribution of opportunities, benefits, and burdens for all communities

Energy Burden Patterns in the District and Nationwide

- In D.C., median energy burden is **2.0%**, and the median low-income energy burden is **7.5%**
- **A quarter of low-income households in D.C. have an energy burden above 14%**, more than seven times higher than the median energy burden.
- **14%** of all households in D.C. have a high energy burden (above 6%)
- **21% of Black households and 19% of Hispanic households** in D.C. experience a high energy burden (above 6%)



History of Policies Impacting Energy Justice

- Older and poorer quality housing impacts health, comfort, and energy and water bills.
- Historic policies have led to low-income households and communities of color concentrated in areas with historic disinvestment, poorer quality housing, greater pollution, and fewer high-quality jobs.
- Examples of policies at the local, state, and federal levels impacting this outcome include:
 - **Redlining and racial covenants**
 - **Discriminatory lending and less of access to financial capital**
 - **Employment discrimination**
 - **Underfunded schools**
- At the same time, these communities face higher barriers to accessing traditional energy efficiency programs.

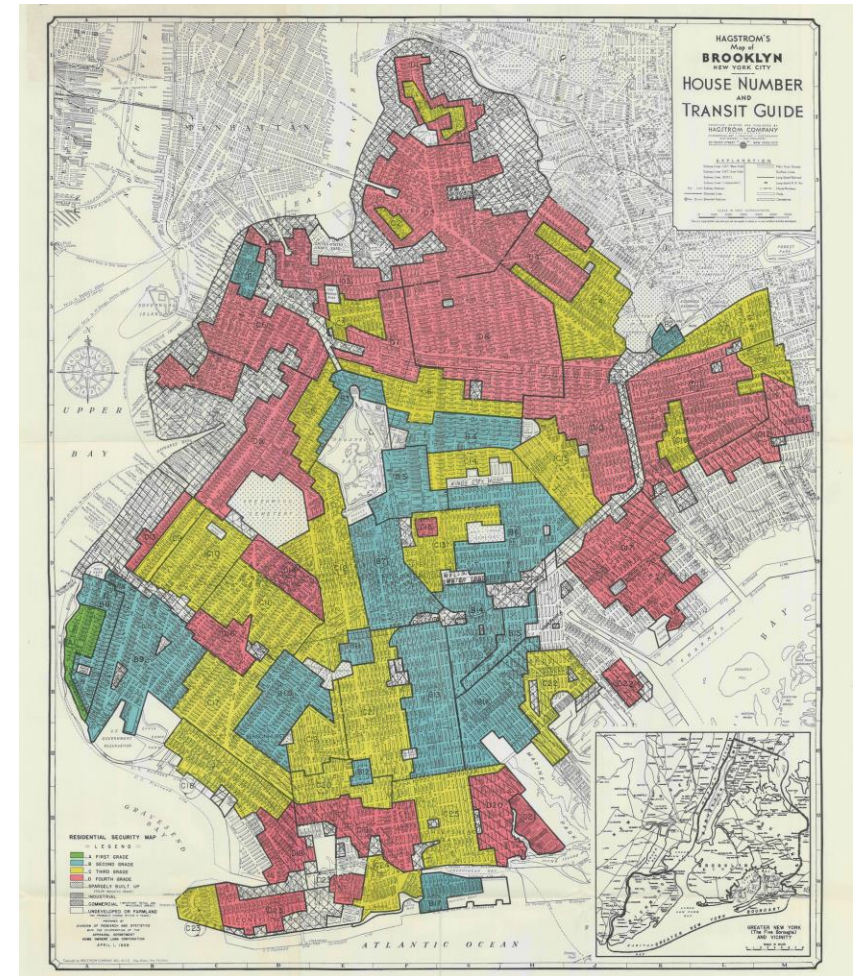
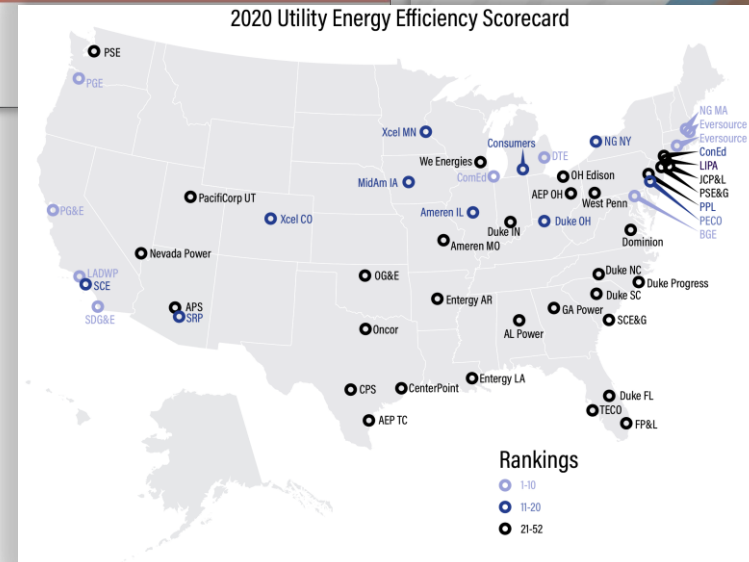
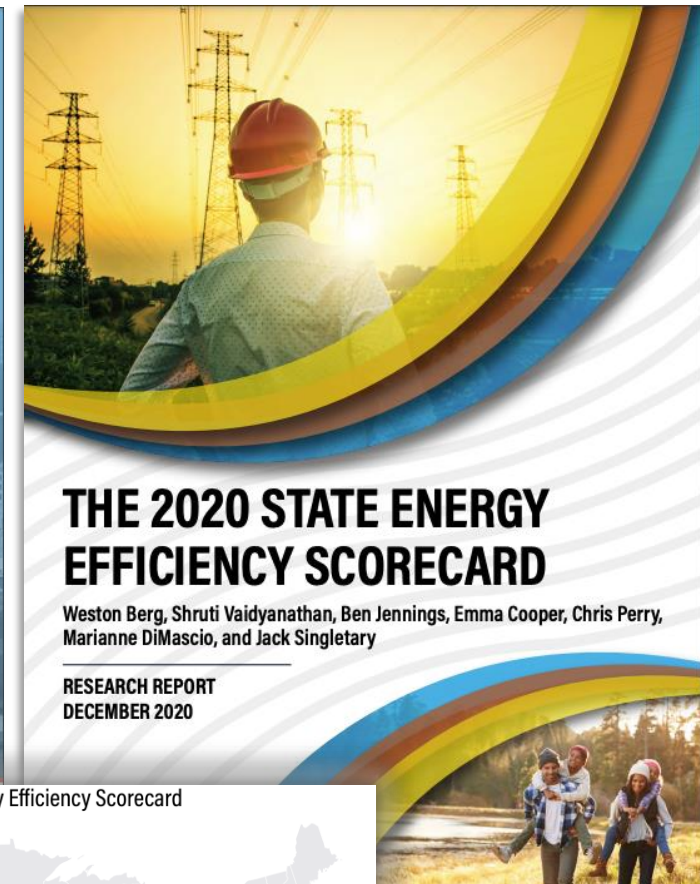
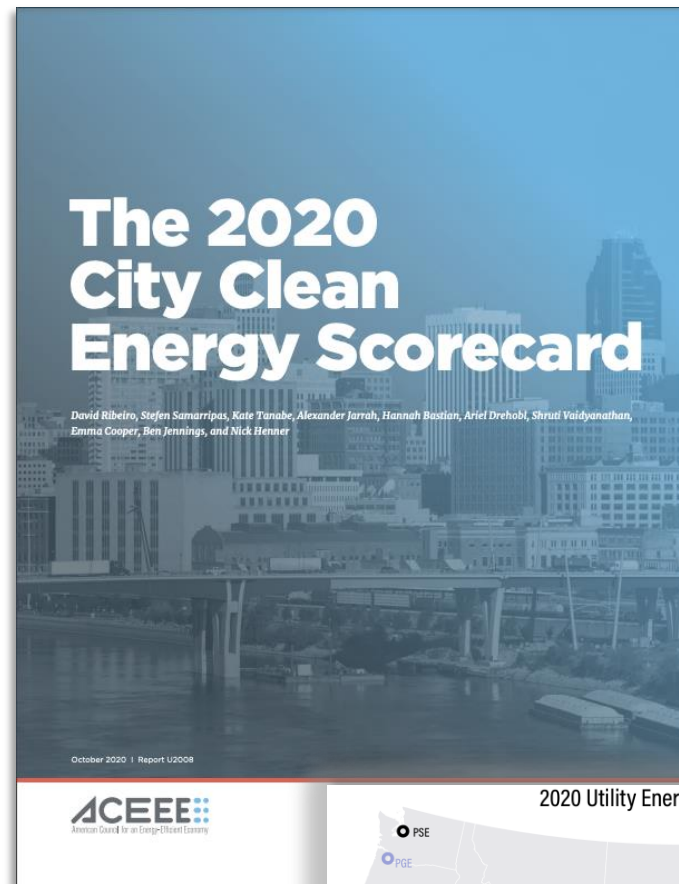


Image from NYT of redlining in NYC:

<https://www.nytimes.com/2017/08/24/upshot/how-redlinings-racist-effects-lasting-for-decades.html>

ACEEE's Scorecards

- ACEEE publishes Scorecards, including:
 - City, State, Utility
- Why?
 - To benchmark and measure progress on clean energy and energy efficiency
 - To collect data to support policy action
 - To identify leading and lagging governments
 - To foster friendly competition
 - To provide examples of best practice programs



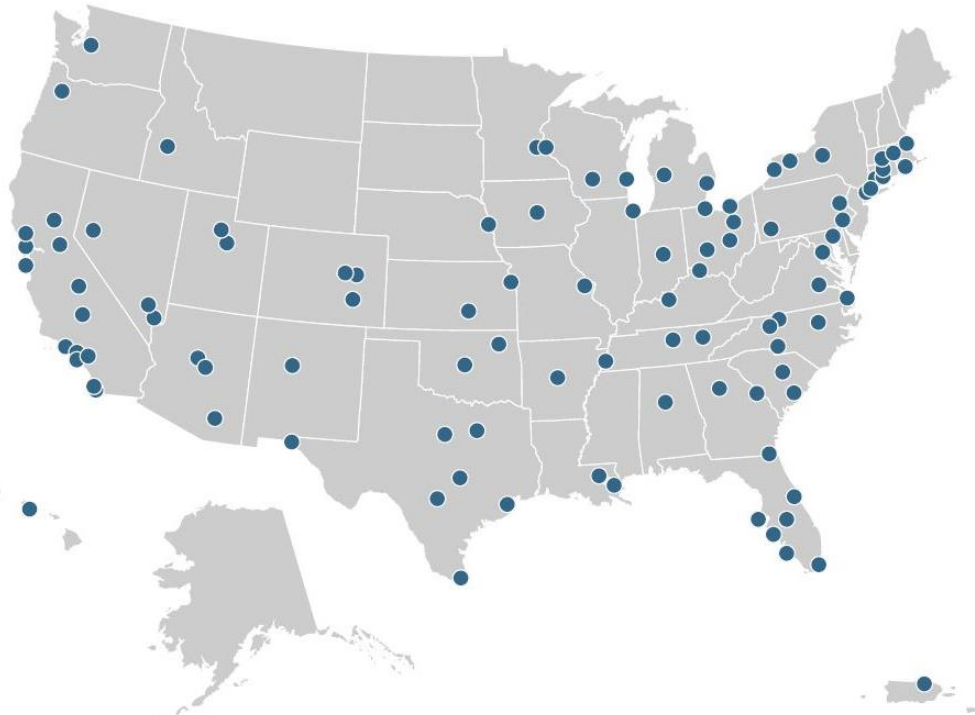
Overview of *The City Clean Energy Scorecard*

D.C.

• Ranked #3

Baltimore

• Ranked #24



COMMUNITY-WIDE INITIATIVES



BUILDINGS POLICIES



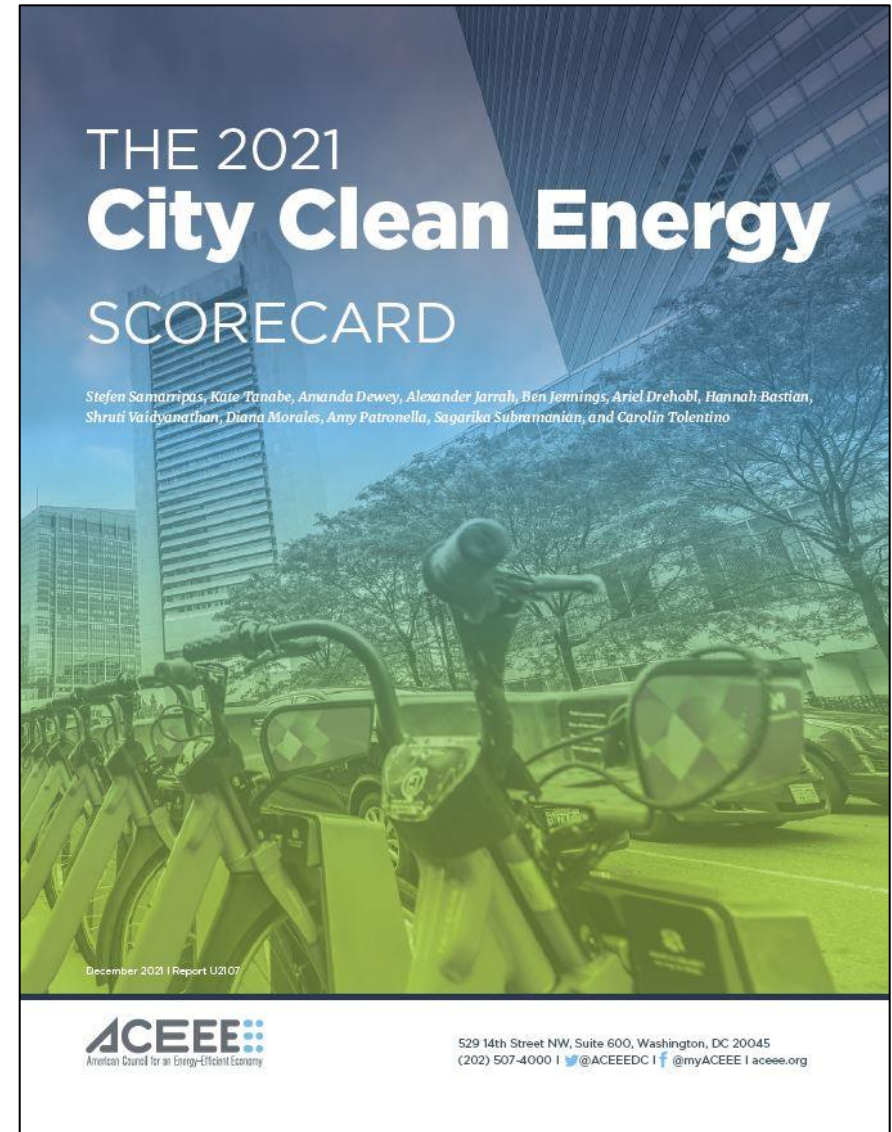
TRANSPORTATION POLICIES



ENERGY AND WATER UTILITIES



LOCAL GOVERNMENT OPERATIONS



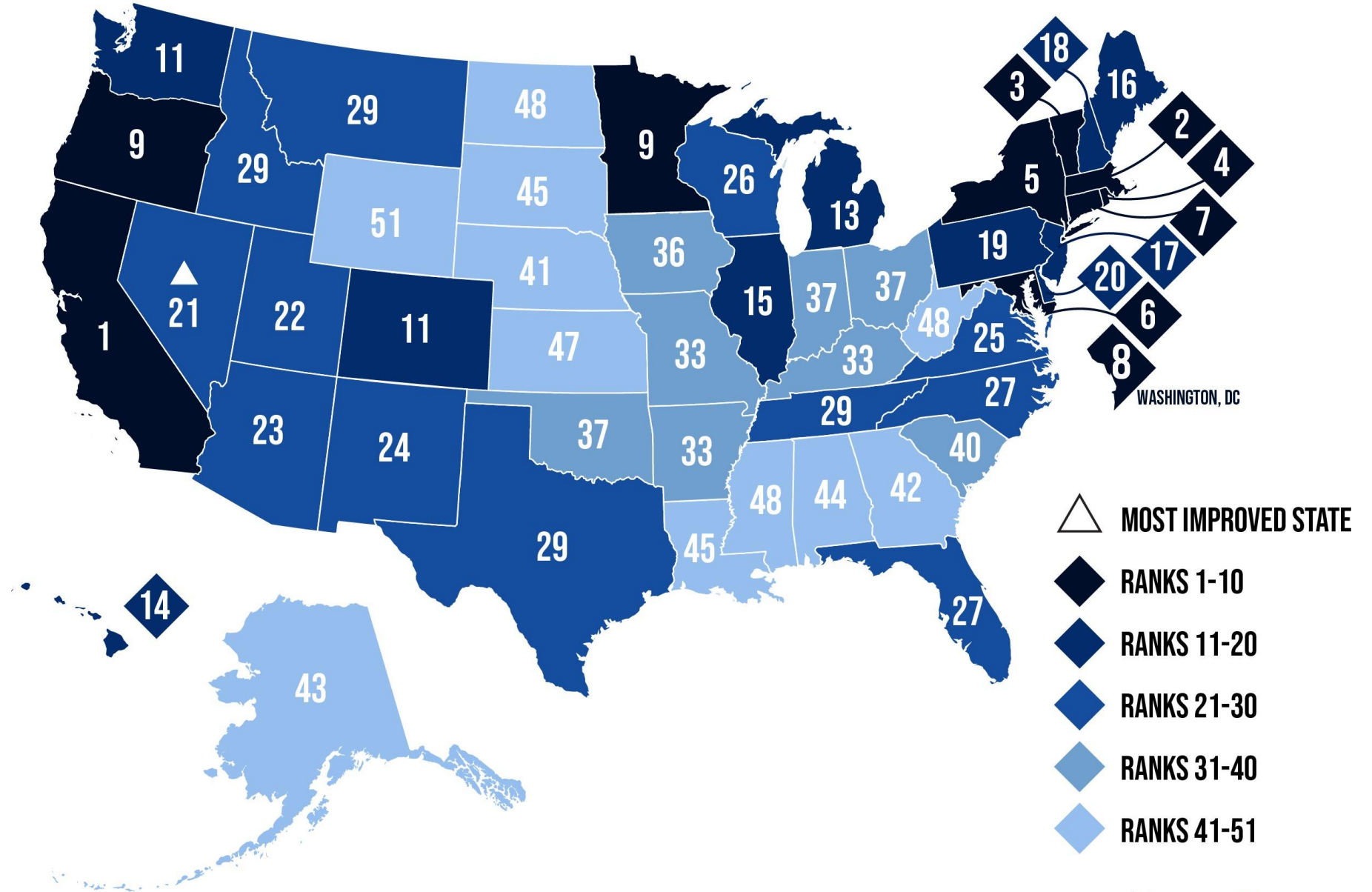
December 2021 | Report U2107

ACEEE
American Council for an Energy-Efficient Economy

529 14th Street NW, Suite 600, Washington, DC 20045
(202) 507-4000 | www.aceee.org | [@ACEEEDC](https://twitter.com/ACEEEDC) | [myACEEE](https://www.facebook.com/aceee) | [aceee.org](https://www.linkedin.com/company/aceee)

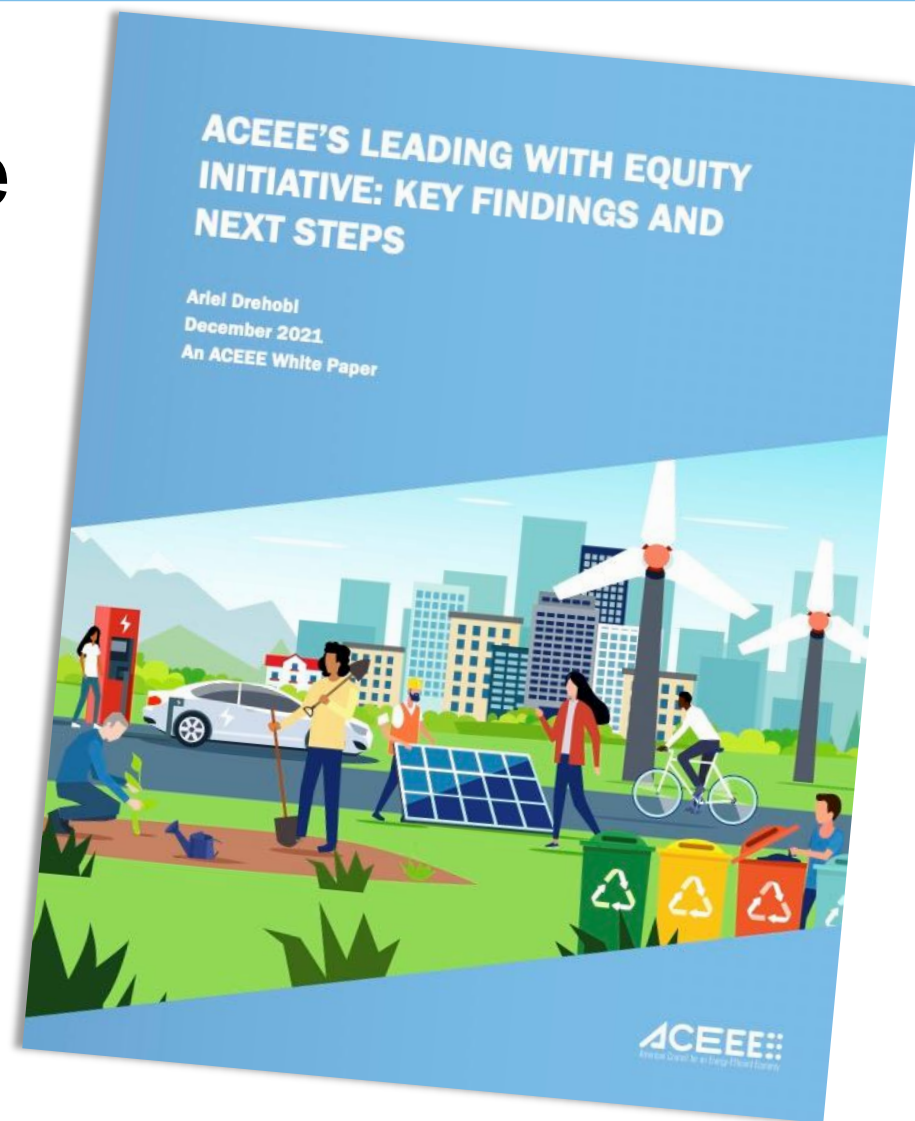
Available for download at: <https://www.aceee.org/local-policy/city-scorecard>

THE 2020 STATE ENERGY EFFICIENCY SCORECARD



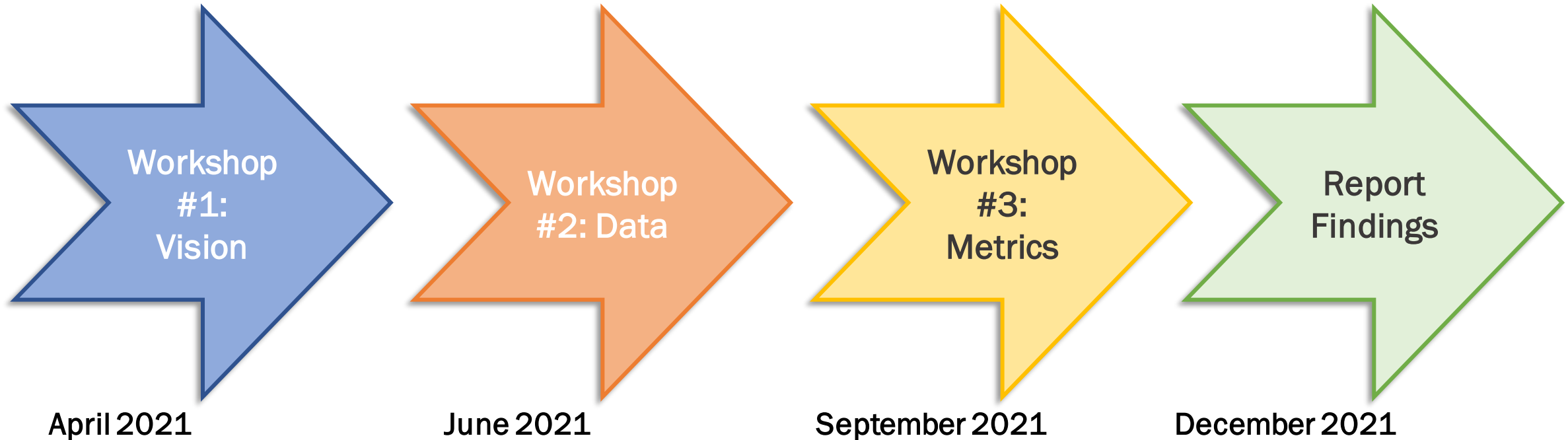
ACEEE's Leading with Equity Initiative

- Feedback that the leaders in Scorecards are not doing enough to advance equitable policies or programs
- Overall goal to ensure that all cities, states, and utilities leading in the Scorecards must be leading across equity-focused metrics
- Designed so that community-based organizations (CBOs) are helping to drive the development of a full landscape of improved equity-related metrics

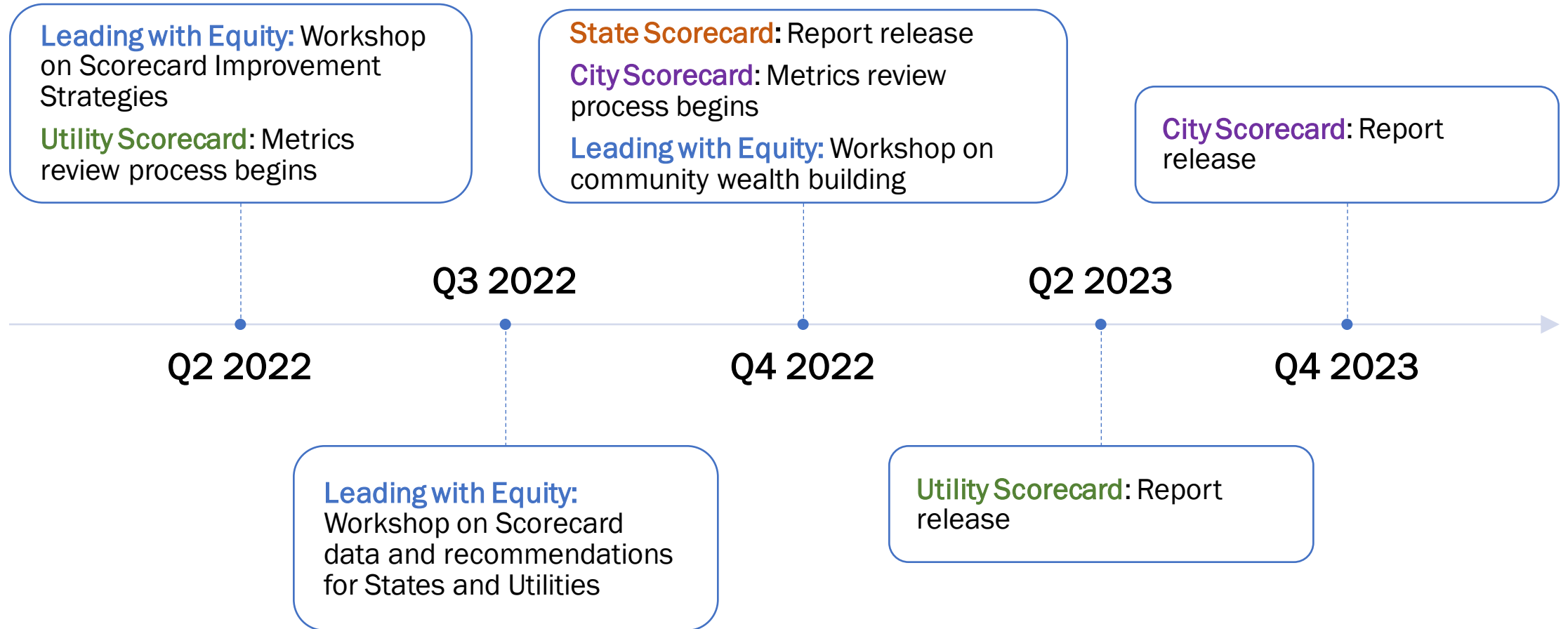


- White paper of key takeaways from year 1: [aceee.org/white-paper/2021/12/aceees-leading-equity-initiative](https://www.aceee.org/white-paper/2021/12/aceees-leading-equity-initiative)
- Access all initiative publications and sign up for newsletter: <https://www.aceee.org/energy-equity-initiative>

Year 1 Workshop Process



Years 2 and 3 Leading with Equity Timeline



Key Findings on Energy Equity and Metrics

- Need to change how we define and measure the success of clean energy programs, (i.e., not only energy savings but broader health & wealth outcomes)
- Utilities, regulators, and policymakers can embed these success measures into their decision-making processes.
- More robust demographic data (i.e., race and ethnicity), location data, and workforce data are needed across the sector.
- Need for more equitable representation in decision-making processes, both in stakeholder processes and in decision-making organizations (i.e., gov staff, public utility commissions, utility staff)
- Critical to set and communicate clear goals and definitions
- To be successful, processes must include transparency and accountability.

12 Key Actions for Energy Equity



Structural Equity

Decision makers recognize and address the historical, cultural, and institutional dynamics that have led to clean energy inequities



Set up policies and programs that build community wealth



Create consumer protection policies that protect customers from exploitative energy services



Report data on program participation and demographics in a transparent and accessible way while protecting privacy



Track progress toward equity-related commitments and goals using benchmarks and evaluations



Procedural Equity

Decision makers create inclusive and accessible processes for developing and implementing clean energy programs



Target programs to historically disinvested communities



Engage communities in decision-making processes



Compensate community members for participation in stakeholder engagement



Ensure language accessibility by providing materials in languages spoken by communities served



Distributional Equity

Clean energy policies and programs fairly distribute the benefits and burdens across all segments of communities



Set energy affordability goals and track progress with publicly accessible data



Collect and share data to prevent disproportionate impacts of disconnections and access to energy for disinvested communities



Commit to the equitable distribution of benefits of energy efficiency programs and create an accountability structure



Measure access to existing program resources to understand which communities lack access



LEADING WITH
EQUITY

Key actions were prioritized by community-based organizations and advocates participating in ACEEE's Leading with Equity initiative. Learn more at [aceee.org/energy-equity-initiative](https://www.aceee.org/energy-equity-initiative)

EQUITY METRIC DIMENSIONS



CLIMATE AND CLEAN ENERGY PLANNING

- Community engagement
- Equitable decision-making
- Accountability to social equity



WORKFORCE DEVELOPMENT

- Inclusive municipal procurement and contracting
- Workforce development programs that focus on historically marginalized groups



BUILDINGS POLICIES AND PROGRAMS

- Policies and programs that support high energy performance in affordable housing
- Distributed energy systems that benefit historically marginalized communities
- Requirements to disclose rental energy use to prospective residents



ACCESS TO TRANSIT

- Low-income access to high-quality transit
- Subsidized access to efficient transportation
- Affordable transit-oriented development
- Electric vehicle infrastructure deployment in historically marginalized communities



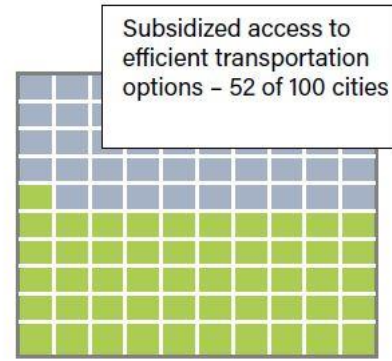
UTILITY PROGRAMS

- Comprehensive low-income and multifamily energy efficiency programs
- Local government supportive funding for weatherization
- Equity-focused partnerships connecting cities and utilities with community-based organizations

- **2020 Scorecard: 11** points for equity metrics
- **2021 Scorecard: 19** points for equity metrics
- **2023 Scorecard: 30-** point target for equity metrics

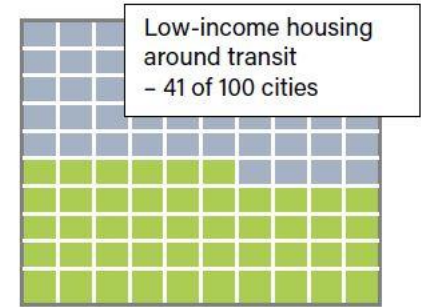
Equity-driven initiatives accounted for less than 20% of new city clean energy actions

- An increasing number of cities have undertaken equity-driven planning efforts.
- Some have created incentive programs to benefit low-income and renter households.
- Minneapolis has been the top equity scorer the past three years.
- Despite some action, more is needed to address existing inequities.

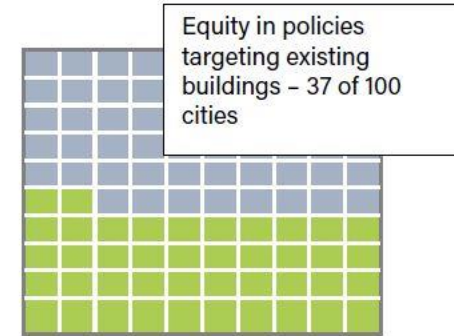


Example: Salt Lake City offers the Hive Pass, a discounted monthly pass that can be used for the local bus, light-rail, and streetcar systems.

Top 3 City-Led Equity Initiatives



Example: Austin offers incentives in the form of density bonuses in Transit Oriented Developments. The neighborhood housing and community development department also has a goal for 25% of affordable housing created or preserved to be within 1/4 mile of high frequency transit.



Example: Cincinnati partnered with Duke Energy Ohio to offer a pilot program, WarmUp Cincy, that provides energy efficiency support and education to income-eligible renters.

State Scorecard Equity Metrics - Buildings Policies

Proposed 2022 Equity-Focused Scoring Categories	Proposed Points
(New) Minimum Energy Performance Standards for State Housing Agency-Funded Projects	1
(New) State Efforts to Remediate Health/Safety Deficiency Barriers to Weatherization in Low-Income Households	1

- **Minimum standards for new construction and rehabilitation projects**
 - Minimum Home Energy Rating System (HERS) score or ENERGY STAR certification
 - State-specific standards
- **Home remediation and pre-WAP programs**
 - 10-15% of households are deferred due to safety concerns or other structural issue



American Council for an Energy-Efficient Economy

- **Minnesota ECO Act**
 - allows utilities to spend a limited amount of their CIP funds on “pre-weatherization measures”
- **Delaware**
 - **Pre-Weatherization Program (Pre-WAP):** developed in order to serve clients that would otherwise be deferred by WAP due to the condition of the client’s home
 - **Lead-Free Healthy Homes Program**

State Scorecard Equity Metrics - Utility Programs and Policies

Proposed 2022 Equity-Focused Scoring Categories	Proposed Points
(New) Equity-focused tracking of program participation/impacts	1
(New) Intervenor compensation	0.5

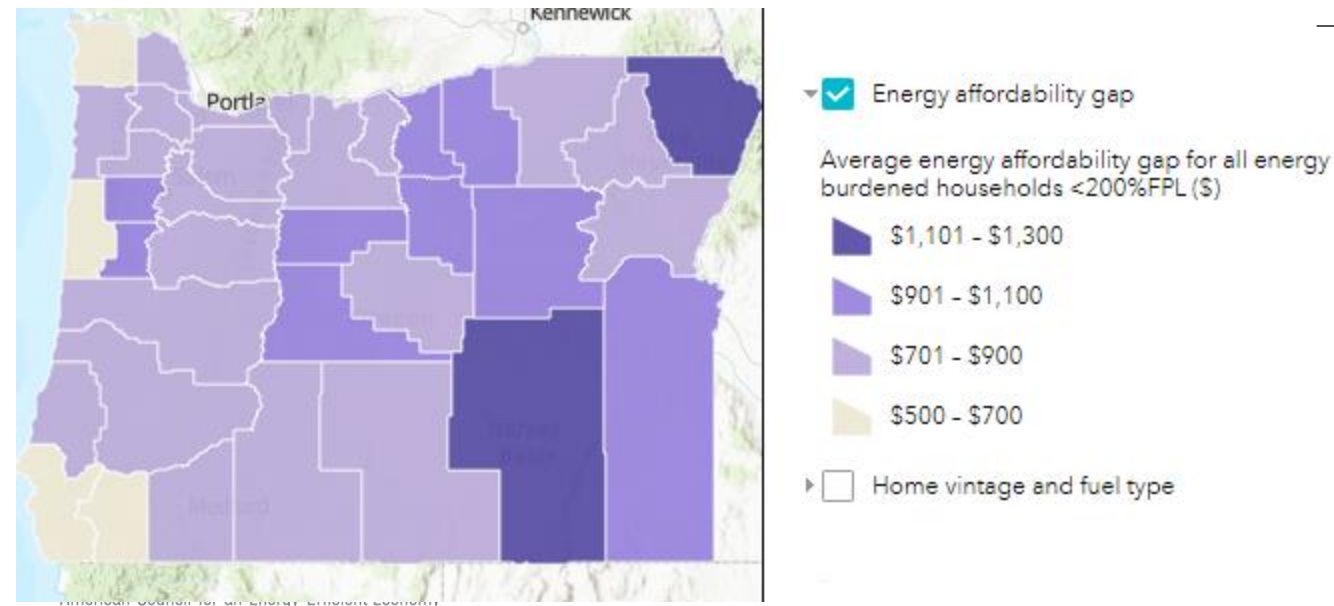
Equity-focused tracking of program participation/impacts

- Data reporting policies are in place for the purpose of measuring access, participation, and benefits from clean energy programs
- transparent and easily accessible
- Examples of key metrics:
 - High energy bills, health and safety issues, housing type

Intervenor compensation

- Participation in utility regulatory proceedings can be expensive and time-consuming
- 11 states have legislation / rules allowing intervenor compensation to support public participation in proceedings

- Oregon Energy Affordability Act (2021)
- California Intervenor Compensation Program
- MI Utility Consumer Participation Board



State Scorecard Equity Metrics - Building an Inclusive Workforce

Proposed 2022 Equity-Focused Scoring Categories	Proposed Points
(New) Supporting Equity & Diversity in the Clean Energy Workforce	0.5



- Engage underrepresented groups with training and internship programs.
- Focus on supplier diversity and inclusive procurement.
- Forge partnerships with state agencies and skills training providers.

New York

- NYSERDA Workforce Training Investment Plan

Tennessee

- TVA Building Figures Contractor and Workforce Development Program

Other Planned Equity Metrics in the 2022 State Scorecard

Proposed 2022 Equity-Focused Scoring Categories	Proposed Points	Description
(Current) Support of low-income energy efficiency programs	2	Three metrics: (1) funding towards income-eligible energy efficiency (EE) programs, (2) establishment of a minimum spending or savings goal for low-income EE programs, (3) cost-effectiveness rule provisions that account for unique non-energy benefits of low-income EE programs.
(Current) Equitable transportation access	1	Recognizes policies to encourage inclusion of low-income housing in transit-oriented neighborhoods; uses distance from transit facilities as a criterion for awarding federal low-income tax credits to qualifying property owners.
(New) Equitable transportation electrification	1	Considers state EV policies or plans that include explicit funding streams that benefit low income, economically distressed, or environmental justice communities.
(New) ZEBs and Electrification in Affordable Housing/Construction	1	Awards points for (state or utility) programs investing in affordable zero energy homes for low-income customers.
(New) Dedication of carbon pricing revenues to EE Equity Initiatives	0.5	Assesses level of support toward low-income programs from proceeds of carbon pricing programs.
(New) Statewide energy affordability or energy justice goal	0.5	Recognizes state goals to lower state-wide energy burdens for low-income households AND set a plan and/or are tracking progress towards achieving the goal.
(New) Equity Task Force or Dedicated Staff to Address Equity Concerns	0.5	Credits state planning processes that include a commitment to strengthening engagement with environmental justice communities.

A low-angle, close-up photograph of a person's legs and feet. They are wearing blue denim jeans and white sneakers with black soles. The person is walking on a dark, textured paved surface, likely a path or sidewalk. The background is a soft-focus park scene with trees and a bright, hazy sky, suggesting a sunny day. The overall color palette is dominated by blues, greens, and yellows.

Next Steps

- 2022 State Scorecard will be released in December.
- City Scorecard will be released in early 2024.
- Each scorecard team will complete a form after publication sharing which changes they implemented.
- We plan to use the findings from this initiative to consistently improve each edition of the Scorecards and other research.
- Moving forward, ACEEE will provide more opportunities for input and direction from CBOs with an expanded external review process.

Key Takeaways: How your Jurisdiction can Advance Energy Equity

- As you pursue any of the actions we've discussed today, the following guiding principles can help you to achieve more equitable outcomes:
 1. Center voices of community members, CBOs, and underserved communities.
 2. Prioritize accountability and transparency, which are key to any effort to advance equity, and requires feedback to be implemented and robust communication.
 3. Base goals and efforts on accurate information about your context and your community's needs.
 4. Ensure that staff members and teams have the resources and support to advance equitable processes and outcomes.
 5. Develop and clearly state definitions for your goals and efforts. Who are your targeted communities? Why? How did you develop that definition?



**Thank you for your
attention!**

Amanda Dewey
adewey@aceee.org