



SPRING 2024



PHASE 1

# Progress Report

Equitable  
Energy  
Efficiency



Prepared by DEEP's Bureau of Energy and Technology Policy

Released April 29, 2024

# About E3

Energy efficiency is one of the most cost-effective energy resources that has the potential to reduce energy burdens, cut carbon emissions, and promote community resilience. The Equitable Energy Efficiency Proceeding (E3) is a collaborative initiative with the utilities, Connecticut Energy Efficiency Board (EEB), and other stakeholders to develop strategies for ensuring that the benefits of energy efficiency are shared equitably among residents and businesses. Phase 1 of E3 began in Summer 2021 and set 19 action items related to enhanced community engagement, new equity metrics, and more.

**The Connecticut Department of Energy and Environmental Protection's E3 Vision Statement is that Equitable energy efficiency programs will:**

- Alleviate high energy burdens for low-income and underserved households
- Recognize and remediate past harm by prioritizing historically under-resourced communities
- Mitigate and eliminate barriers to low- to moderate-income participation in energy efficiency programs
- Drive accessible and transparent process to incorporate residents' priorities and lived experiences into program design and decision-making
- Ensure equitable access to the benefits of energy efficiency

## E3 Reporting and Transparency

Accountability is critical to equity work. DEEP issues updated progress reports quarterly to ensure consistent inventory of progress on the Goals of the E3 Proceeding. Detailed descriptions of these Goals and associated Actions and progress to date can be found [here](#).

E3 Phase 1 set 19 total Actions and each Action contains a 10-boxed gradient tracker to reflect the progress toward each Action's achievement, an arrow to indicate the level of progress achieved in last quarter's report, and a green squared indication of what it will look like when complete.

# Spring 2024 Results

During 2023, DEEP, the EEB, the Utilities, and other stakeholders took significant steps to embed greater equity in energy efficiency decision-making and tackle barriers to equity in energy efficiency.

## Overall Progress

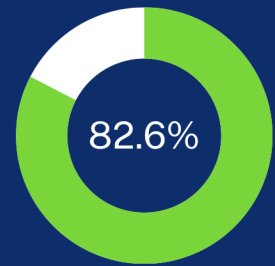
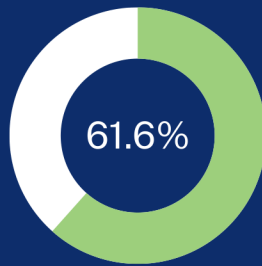
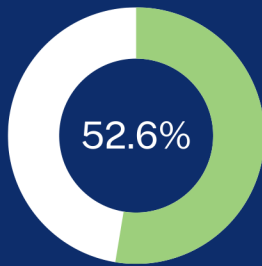
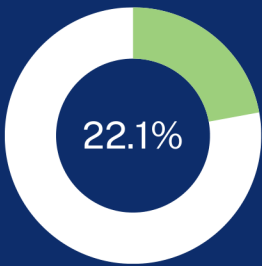
Towards achievement of all Phase 1 Action Items

Summer 2021

Fall 2021

Winter 2022

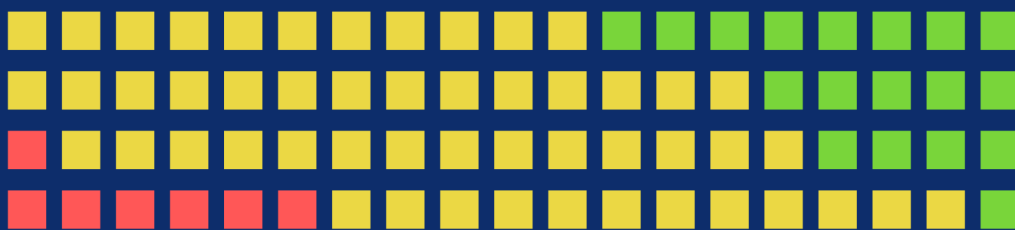
Spring 2024



## Action Item Status

Indicator for all 19 Phase 1 action items

■ Not Started   ■ In Process   ■ Complete



Spring 2024

Winter 2022

Fall 2021

Summer 2021

# Goal 1: Embed greater equity in decision-making

Last report 

## 1.1 | Consultant

Direct the EEB to develop a plan to hire a Diversity, Equity and Inclusion (DEI) Consultant

■ DEI Consultant hired.

 This action will be considered completed when:



The Energy Efficiency Board hired Illume as the DEI Consultant in 2022 following a competitive RFP. The DEI Consultant has completed a preliminary equity assessment on Connecticut's Energy Efficiency programs and will continue to develop recommendations to the EEB in 2024.

## 1.2 | Board diversity

Solicit nominations for energy efficiency board membership in a more inclusive manner to increase board diversity.

■ All Board vacancies are filled using the new process.



DEEP issued a Request for Applications on November 8, 2023 for two new members to the Energy Efficiency Board. The new members will represent a statewide retail organization and residential customers. The new solicitation process reflects DEEP's goal of making appointments more transparent and increasing the diversity of the Board. DEEP will continue to refine its process for future appointments.

# Goal 2: Enhance tracking of equity indicators in C&LM programs

## 2.1 | Communities

Work with the utilities to assess - retrospectively and moving forward - the extent to which communities are served by energy efficiency programs.

■ Data is available and public.



DEEP has analyzed data on (1) energy burden, (2) communities of color, and (3) arrearages and shut offs for inclusion in future Equitable Distribution Reports.

### 2.2 | Transparency

Update the Equitable Distribution Report to make equity data accessible to a wider audience.

■ *The Equitable Distribution Reports for 2019 and 2020 are complete and a process is in place for future reports.*



DEEP has created a new format for Equitable Distribution reports. Future reports will feature a refreshed, clearer, and more accessible display of relevant data and findings.

## Goal 3: Develop metrics and goals to assess equitable distribution of energy efficiency funding

### 3.1 | MPP metric

Broaden the current Matching Payment Plan (MPP) metric to potentially cover medical and financial hardship customers, and include more ambitious targets to scale up the percentage of participating customers on an annual basis.

■ *The secondary equity metric has been modified.*



The companies have updated the residential secondary metric to include all hardship customers. This metric is included in the 2022-2024 Performance Management Incentive structure.

### 3.2 | E3b level

Establish a baseline E3b level for Eversource and United Illuminating based on the most recent available data and establish a goal of at least maintaining the E3b figures for each utility on an annual basis.

■ *The E3b metric is tracked and reported in annual Equitable Distribution Reports.*



In the 2022-2024 Conservation & Load Management (C&LM) Plan term, the companies have committed to using the E3b metric to identify areas of the state with lower program participation and help them determine where outreach should be targeted.

*Note: The E3b metric estimates equitable utility investment in proportion to the low-income population in a service territory and as a percentage of the total residential energy efficiency investment portfolio.*

### 3.3 | Equity metrics

Based on the analysis of equity indicators described in Goal 2, and in consultation with the DEI Consultant, DEEP may recommend the development of new equity metrics.

■ Analysis described in Goal 2 is complete and new equity metrics are developed.



The DEI Consultant has recommended Residential and Commercial & Industrial equity Performance Management Incentives (PMI) for 2024. Companies also must have a system in place to measure Environmental Justice community participation by the end of Q2 2024 to receive 2024 equity PMI. The DEI Consultant will conduct stakeholder outreach and continue to work on developing a Equity Indicator Framework in 2024.

## Goal 4: Improve program participation and impacts among moderate-income customers

### 4.1 | Definition

Develop a definition of "moderate income."

■ Final definition is released.



A definition of moderate income was established in DEEP's Final Phase 1 Determination. It defines moderate income as those with incomes above 60% of the state median income, but below 80% of the state median income.

### 4.2 | Assessment

An assessment of moderate income participation is included in the annual Equitable Distribution Report.

■ An assessment of moderate income participation is included in the annual Equitable Distribution Report.



Future Equitable Distribution Reports will include an analysis of moderate-income census tracts using the definition above.

# Goal 5: Streamline the eligibility process for low-income programs

## 5.1 | Across agencies

Streamline eligibility based on participation in other state assistance programs through multi-lateral data-sharing across multiple state agencies and departments.

■ *Data -sharing arrangements between departments are finalized and new eligibility criteria are created.*



Data sharing for program eligibility between the Department of Social Services (DSS) and the Utilities has been completed. This is helping the Utilities match people who are participating in various DSS programs to utility programs, including C&LM.

## 5.2 | Workshops

Hold a series of workshops with adequate representation to explore additional avenues for streamlining eligibility.

■ *At least two workshops have been held.*



DEEP has been convening meetings with program administrators of energy programs to understand challenges of streamlining program eligibility.

## 5.3 | Verification tool

Develop a tool with strong consumer protections that allows vendors to easily identify eligible customers by address to support verification and marketing activities.

■ *Tool is developed and in use.*



During the 2022-2024 C&LM Plan term, the companies will deploy a tool that will allow communities, municipalities, and vendors to identify census tracts that meet income eligibility requirements.

This tool is currently in development.

# Goal 6: Improve outreach to high-need or high-impact populations

## 6.1 | Community engagement



Develop community engagement practices that align with the goals outlined in this Proceeding and the C&LM Plan.

■ *Community engagement practices are in place and serving the communities identified as underserved in this Proceeding.*

The DEI Consultant will conduct stakeholder engagement in 2024 to help the EEB understand the needs and priorities of communities, as articulated by those communities. Engagement will include 12 interviews with Connecticut-based community-based organizations identified by the EEB and the public.

## 6.2 | Public participation



Develop a checklist to ensure that opportunities for public participation are widely shared and accessible to a diverse group of stakeholders.

■ *Checklist is complete and released.*

DEEP has prepared a checklist to guide public participation opportunity development. The checklist will be used across the Bureau.

# Goal 7: Address health and safety barriers to low-income weatherization access

## 7.1 | Financing options



Work with the Connecticut Green Bank to explore improved financing options for HES and HES-IE customers to access interest-free financing for health and safety barrier mitigation.

■ *Improved financing options are available.*

In 2023, DEEP was charged by the CT legislature with creating and implementing a Housing Environmental Improvement Revolving Loan Fund (RLF). The RLF provides \$125 million in loan funds to support energy improvements in non-owner-occupied multifamily properties, including health & safety barrier mitigation. DEEP is currently working to create a straw proposal for stakeholder feedback.



## 7.2 | Barrier remediation

Develop a DEEP-administered program with supplemental funding sources to remediate health and safety barriers to weatherization in low-income homes.

■ Program has resolved barriers in 50 homes.



DEEP launched its weatherization barriers remediation program, called the Residential Energy Preparations Services program (REPS) in April of 2023. REPS serves 1–4-unit residential buildings and is funded by a mix of American Rescue Plan Act (ARPA) funds and Low-Income Home Energy Assistance Program (LIHEAP) funds. As of January 2024, REPS has served 95 units.

*DEEP continues to explore additional federal and state funding sources, such as the CT legislatively-appropriated Housing Environmental Improvement RLF, the Environmental Protection Agency Climate Pollution Reduction Grant, the EPA Solar for All grant, and the U.S. Department of Agriculture Rural Community Development Initiative grant to potentially supplement existing funds within the REPS program.*

# Goal 8: Address and remove barriers to participation among renters

## 8.1 | Engagement

Engage with both landlords and renters on the benefits of HES and HES-IE and teach them how to participate in the programs.

■ Engagement practices specifically for renters and landlords are developed and implemented.



DEEP is working to include a focus on multi-family dwellings in its programs. From the Residential Renewable Energy Solutions program to barriers remediation and weatherization assistance, efforts are underway to better include and address the needs of renters.

## Equitable Energy Efficiency

■ Not Started   ■ In Process   ■ Complete

### 8.2 | Energy retrofits

Leverage existing incentives with federal funding and other funding sources as approved to provide a comprehensive approach to energy retrofits for affordable housing.

■ 50 homes have been served by Energy Retrofit program.



DEEP's Affordable Housing Energy Retrofits Office launched REPS in 2023 and is working to launch a multifamily weatherization assistance program in early 2024 to improve the energy efficiency of multifamily buildings serving low-income households.

DEEP hopes to issue an RFP in early 2024 to develop an online incentive tool that will help residential building owners and renters find applicable energy and broadband incentives.

### 8.3 | Landlord agreement

Maintain the landlord agreement in the interim as the utilities gather data on rental units that do not proceed due to lack of landlord approval.

■ Landlord agreement has been reassessed based on data from the utilities.



DEEP is working to include a focus on multifamily dwellings in its programs. We expect the utilities to leverage these opportunities to bring landlords to the table.

