



**BUREAU OF ENERGY AND
TECHNOLOGY POLICY**

May 20, 2021

E3 PHASE 1 TECHNICAL MEETING

DEEP BETP



TODAY'S MEETING

- Please remain muted except when making a comment or question during discussion portions.
- Use the raise hand feature in order to be recognized during discussion portions.
- Feel free to enter questions in the chat, Kate or Rose will do their best to address them.
- All materials (including recording) will be posted to our E3 webpage

We have set aside half of this meeting for discussion and look forward to hearing from you!

THURSDAY, MAY 20, 2021
1 PM - 3 PM

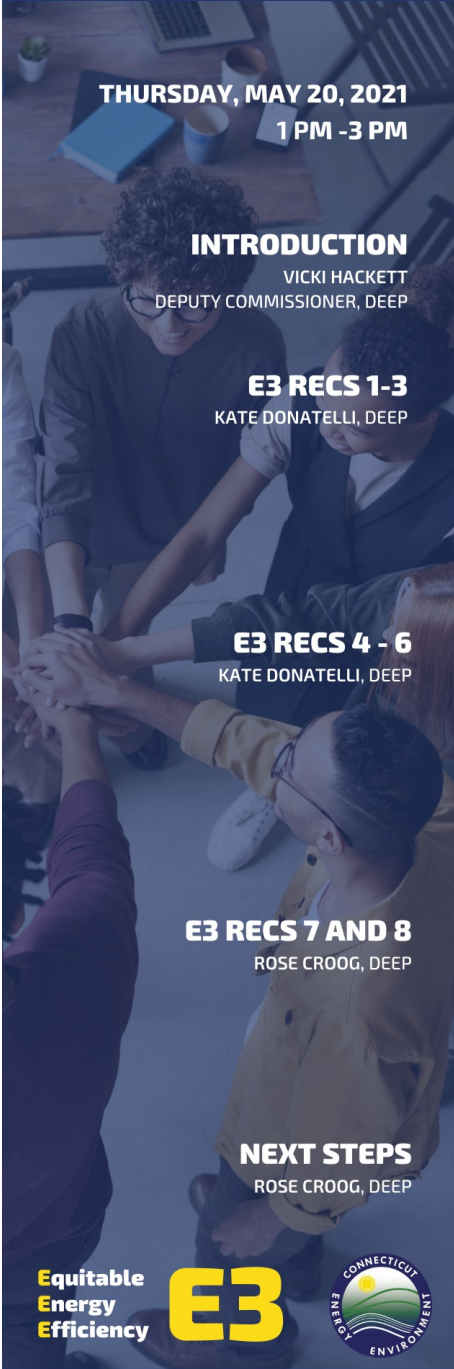
INTRODUCTION
VICKI HACKETT
DEPUTY COMMISSIONER, DEEP

E3 RECS 1-3
KATE DONATELLI, DEEP

E3 RECS 4 - 6
KATE DONATELLI, DEEP

E3 RECS 7 AND 8
ROSE CROOG, DEEP

NEXT STEPS
ROSE CROOG, DEEP



E3 PHASE 1 TECHNICAL MEETING

1:00 pm - 1:15 pm

Agenda, meeting practices, E3 vision statement, and scope of E3 proceeding.

1:15 pm - 1:25 pm

Overview of potential actions regarding board diversification, prioritizing program participation tracking, and setting metrics and goals.

20 MINS DISCUSSION

1:45 pm - 1:55 pm

Options for expanding moderate-income program participation, expanding eligibility for low-income programs, and mechanisms for improving outreach to high-impact populations.

20 MINS DISCUSSION

2:15 pm - 2:25 pm

Options for supporting health and safety barrier mitigation, minimizing impact of approval requirement.

20 MINS DISCUSSION

2:45 pm - 3:00 pm

Feedback solicitation for ideas or structure of public Input session. Discussion of next steps and pathways for continued feedback.

DIMENSIONS OF EQUITY IN THE EEJ GC3 REPORT

Distributive Equity - relates to the distribution of benefits and costs, calls for directing resources to the most vulnerable communities.

Procedural Equity - relates to planning processes and calls for open, accessible planning processes in partnership low-income community and communities of color.

Contextual Equity - recognizes the legacy of racial and income equality, among other factors, in the development of policy.

Corrective Equity - recognizes that the most vulnerable communities often lack traditional forms of economic resources or political influence and calls for a process by which communities can hold institutions accountable

E3 VISION STATEMENT

Energy efficiency is one of the most cost-effective energy resources and has the potential to reduce energy burdens, cut carbon emissions, and promote community resilience. However, **conscious effort is required to ensure that these benefits are conferred equitably among Connecticut Residents.**

Equitable energy efficiency programs:

- Reduce energy burdens for all customers
- Recognize and work to remediate past harm by prioritizing historically overburdened and underserved communities
- Mitigate and work to eliminate barriers to participation in energy efficiency programs
- Include accessible and transparent process for incorporating residents' priorities and lived experiences into program design and decision-making
- Increase access to the benefits of clean energy and the clean energy economy

PHASE 1 PROCESS:



May 5, 2021

- Release Draft Phase 1 Determination
- Public comment period opens
- Announce details for public technical meeting



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THE E3 DRAFT DETERMINATION

What's inside?

- A vision statement for equity in energy efficiency with details on the E3 scope and process.
- Eight recommendations to advance equity with relevant background, public comment summaries, and action items
- Prompts for public commenters to follow with a timeline for Phase I
- The official notice of Phase I Recommendations contains the 2019 Equitable Distribution Report with an opportunity to provide feedback on future reports



THANK YOU TO OUR PUBLIC COMMENTERS!

Commenters were critical to the development and direction of the initial eight proposed E3 Actions and Recommendations.

Our commenters also helped:

- Establish the scope of the proceeding and identified additional topics to include
- Determine updating cost-effectiveness testing and developing a definition for weatherization will be addressed separately

The depth and breadth of public comments indicated that this Proceeding should contain multiple phases.

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RECOMMENDATION 1

Utilize outside expertise and recruit a more diverse board to embed equity in decision-making

- Direct the EEB to develop a plan to hire a DEI consultant, along with an appropriate budget. The DEI consultant should have a planned start date before the end of 2021.
- Develop a process to solicit nominations for board membership in a more inclusive manner to increase board diversity.



Advancing equity in energy efficiency requires expertise in energy as well as diversity, equity, and inclusion (DEI). Outside expertise would provide an objective view of Connecticut's and potential improvements.

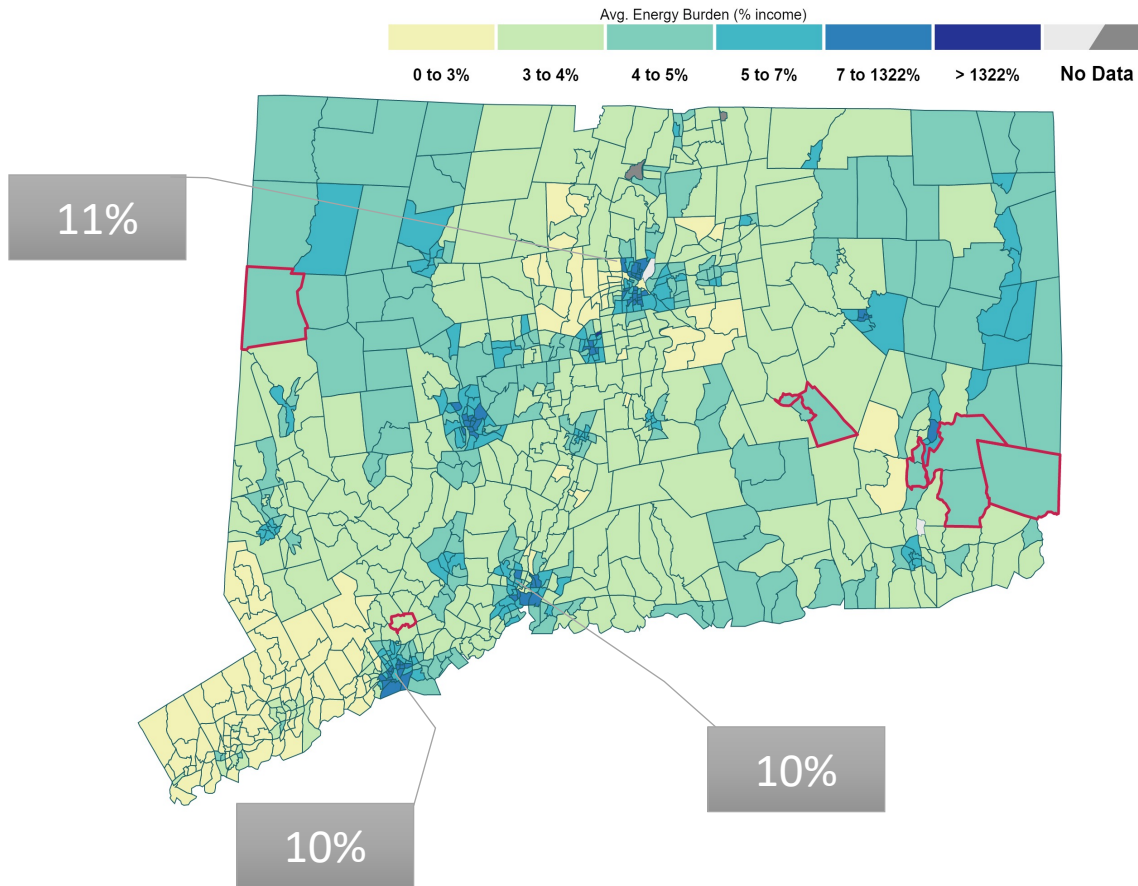
RECOMMENDATION 2

Create a plan for effectively assessing C&LM participation

- Instruct the utilities to provide, retrospectively, the data points described above (pending public comments), for analysis by the DEI consultant, the EEB and DEEP. This data should look back no less than five years.
- Instruct the utilities to propose a plan to track some or all of the data points described above (pending public comments) moving forward.

This recommendation seeks to characterize the current state of program participation across multiple dimensions of equity that are not covered in the current Equitable Distribution Reporting process.

RECOMMENDATION 2 - POTENTIAL DATA POINTS



The DOE LEAD tool demonstrates average energy burden by census tract

Assess program participation by:

- Environmental justice census tracts with PM 2.5 levels at or above national 80th percentile (as defined by EPA EJSCREEN)
- Communities of color, defined using a racial diversity index informed by census race and ethnicity variables.
- Census tracts with high average energy burdens, defined as households that spend more than 6% of income on energy bills (using DOE LEAD tool data)
- Census tracts with crude asthma rates at or above the 90th percentile statewide (as defined by the CDC PLACES tool)
- And creating a heat map of arrearages and utility shutoffs across the state.

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RECOMMENDATION 3

Develop metrics and goals to assess equitable distribution of C&LM funds

- Broaden existing secondary equity metric beyond MPP, potentially covering medical and financial hardship customers
- Establish a goal of at least maintaining the E3b figure for each utility on an annual basis
- Establish goals to increase participation among communities identified in Recommendation 2 (pending assessment and public comment)
- Annually report these metrics and track progress towards goals in the C&LM Plan Update and C&LM Reporting



This Recommendation builds on the data points covered in Recommendation 2 and on existing secondary metrics for equity.

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Discussion Break

- What kinds of expertise should we be looking for in the DEI consultant?
- Of the proposed data points, which do you think would be most effective in assessing equity?
- Are there any other data points that we should consider for assessing equitable program participation?
- Are there any other methods of analysis that we should consider?
- Do the proposed metrics tie directly to the greatest equity challenges?

RECOMMENDATION 4

Assess program participation among moderate-income customers and the extent to which energy efficiency programs meet their needs

- Propose a moderate-income definition that aligns with other sources (Dept. of Housing, ALICE Report)
- Assess participation among moderate-income customers that is guided by this definition
- Based on that assessment, explore option to increase participation among moderate-income customers, including extending certain low-income incentives or creating tiered incentive structures
- Explore ways to encourage vendors to cover up-front costs that are reimbursable by C&LM incentives for certain eligible moderate-income customers.



Evidence from other jurisdictions suggests that this customer class may not be fully served by energy efficiency programs.

RECOMMENDATION 4 – WHAT IS MODERATE-INCOME?

Household Size	60% State Median Income	80% Area Median Income (Stamford-Norwalk)	2020 ALICE Survival Budget
Single Adult	\$34,366	\$68,320	\$28,908 \$31,752 (senior)
Family of Four	\$66,089	\$97,600	\$90,660

Survival Budgets in the United Way ALICE report differ from 60% state median income threshold and DOH threshold.

Defining this customer class:

- 21% of Connecticut households are eligible for HES-IE
- Department of Housing defines “low- and moderate-income” as at or below 80% area median income
- According to a United Way study, 38% of Connecticut households are either below the Federal Poverty Level or are Asset Limited, Income Constrained, Employed (ALICE) households
- There are significant racial disparities in ALICE households in Connecticut

RECOMMENDATION 5

Streamline the eligibility process for low-income households

- Through improved data sharing with state agencies, streamline eligibility based on participation in other state assistance programs.
- Establish a working group to address this issue long-term
- Develop a tool that allows vendors to easily identify eligible customers by address to support their verification and marketing activities.



Demonstrating eligibility can be a barrier for some customers. DEEP is working on a data-sharing agreement with DSS, PURA, and the utilities to streamline the enrollment process for hardship designation.

RECOMMENDATION 5 – PROOF OF HARDSHIP STATUS

Current HES-IE eligibility:

- Income at or below 60% state median
- Enrollment in Eversource’s Matching Payment or New Start programs or CNG, SCG, and UI’s Forgiveness or New Start programs
- Participation in EBT, Energy Assistance, or Section 8 programs
- Properties where certain threshold of units qualify for HES-IE
- Automatic qualification in census tracts where 80% of homes are below 60% of state median income

CGS § 16-262c proof of hardship status

- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Family Assistance (TFA)
- State-Administered General Assistance (SAGA)

RECOMMENDATION 6

Develop outreach plans for high-need or high-impact populations

- Develop a Community Engagement Plan that aligns with the goals of this Proceeding and C&LM Plan
- Support and increase social media presence and advertising of Energize CT offerings
- Develop internal checklist to standardize best practices in public participation



Utilities are developing a community outreach plan, providing resources for community organizations to conduct outreach at the municipal level.



Discussion Break

- How would you define “moderate income”?
- Do you think a tiered incentive structure could adequately capture this customer class? Are there any potential shortcomings to this approach?
- Vendors: Do you have any challenges in identifying HES-IE eligible customers? How could we simplify this process?
- Who should participate in a potential workgroup on streamlining eligibility?
- How can we encourage participation in public processes?

RECOMMENDATION 7



Support efforts to address energy efficiency health and safety barrier mitigation

- Establish an interest rate buydown program for HES and HES-IE customers to finance health and safety barrier mitigation.
- Develop a plan to deploy LIHEAP funds (if approved) to remediate barriers, supplemented by federal ARPA funding, as available.
- Work collaboratively with the utilities, residential contractors, barrier remediation contractors, and other parties to pinpoint a solution for managing, referring, and streamlining health and safety barrier mitigation and efficiency work.

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LMI communities are disproportionately barred from accessing weatherization programs, as health and safety barriers tend to be more prevalent in low-income housing.

RECOMMENDATION 8

Minimize the impact of HES and HES-IE landlord approval requirement and address barriers to participation among renters

- Hold landlord roundtables to engage with landlords on the benefits of efficiency programs and teach them how to participate.
- Conduct renter outreach to inform them how to participate in programs and their rights and obligations with respect to landlord approval.
- Leverage existing incentives with federal funding and other funding sources to provide a comprehensive approach to energy retrofits for affordable housing.

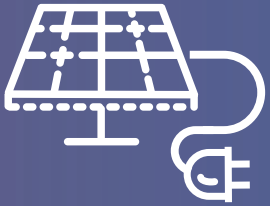


Compliance Condition No. 6 of the 2021 C&LM Plan Update requires the utilities to develop a proposal for tracking HES and HES-IE visits that do not proceed due to lack of landlord approval.

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RECOMMENDATION 8 CONT.



STRUCTURAL CHANGES

Conn. Gen. Stat. § 47a-13a requires landlord approval for “structural changes” while non-structural changes only require landlord notification.

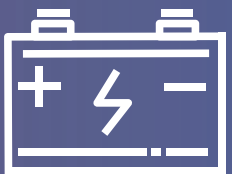


Core Services

- Health and safety inspection
- Blower door test and guided air sealing
- Duct sealing
- Hot water-saving measures
- Energy-efficient light bulbs

Add-On Measures

- HVAC systems
- Domestic hot water (DHW) equipment
- Wi-Fi connected thermostats
- Insulation
- Efficient windows
- Appliances



Differentiating structural and non-structural changes may help remove participation barriers for renters.

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Discussion Break

- What outreach strategies can we use to specifically educate renters on how they can participate in efficiency programs?
- What about Incentivizing landlord participation?
- What is most important in the development of a program to address health and safety barriers to weatherization?
- Is the structural/non-structural differentiation a feasible approach for delivering some weatherization services while protecting renters from liability?
- Other comments/questions?

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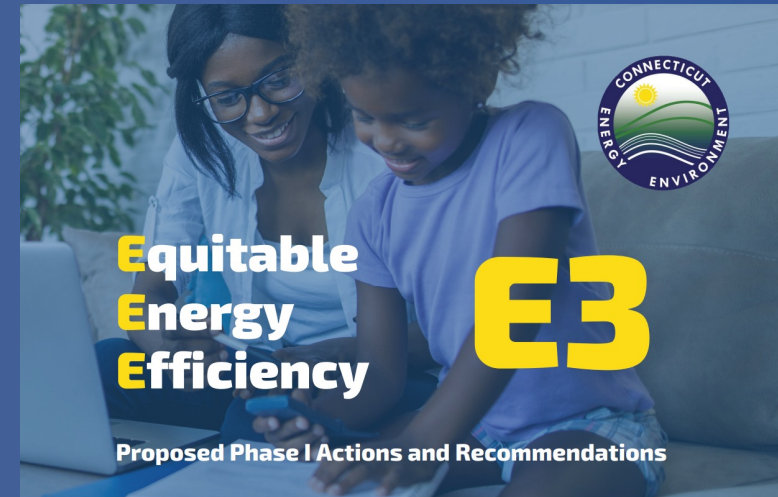


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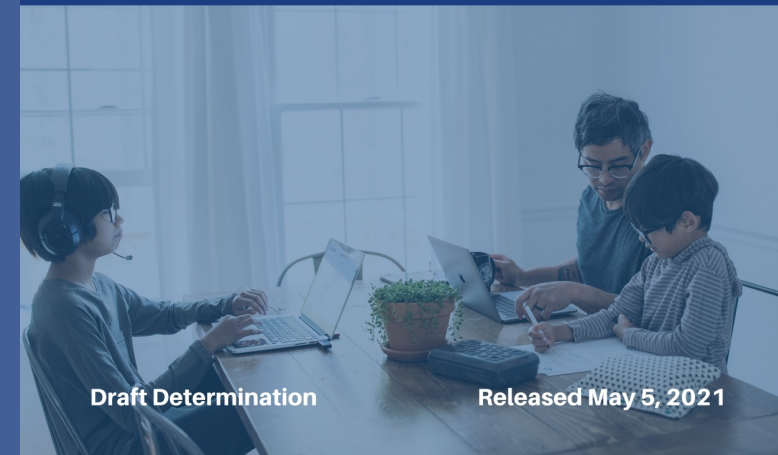
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THANK YOU
FOR YOUR
TIME AND
FEEDBACK!



Prepared by DEEP's Bureau of Energy and Technology Policy



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