



PHASE 1

Progress Report

Prepared by DEEP's Bureau of Energy and Technology Policy

WINTER 2022

Equitable
Energy
Efficiency



Released May 1, 2021

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, 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.

DEEP'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 Equitable Energy Efficiency (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, a blue indicator 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.



Winter 2022 Results

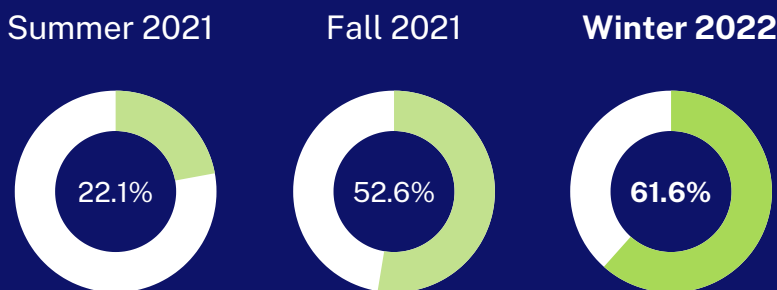
During the first quarter of 2022, DEEP, the Energy Efficiency Board, the Utilities, and other stakeholders took significant steps to embed greater equity in energy efficiency decision-making and tackle barriers to equity in energy efficiency.

Using new inclusive selection processes initiated by E3, DEEP appointed four new members to the Energy Efficiency Board representing a chamber of commerce, statewide business association, low-income customers, and municipalities, widening the perspectives held on the board.

The Energy Efficiency Board also selected a Diversity, Equity, and Inclusion Consultant while DEEP selected a Program Operator to lead the Weatherization Barrier Remediation Program. This program aims to resolve health and safety barriers that prevent the weatherization of residential homes in Connecticut. Lastly, DEEP hired a Director to lead the new Office of Affordable Housing Energy Retrofits which will be focused on leveraging federal funding for whole-building affordable housing retrofits.

Overall Progress

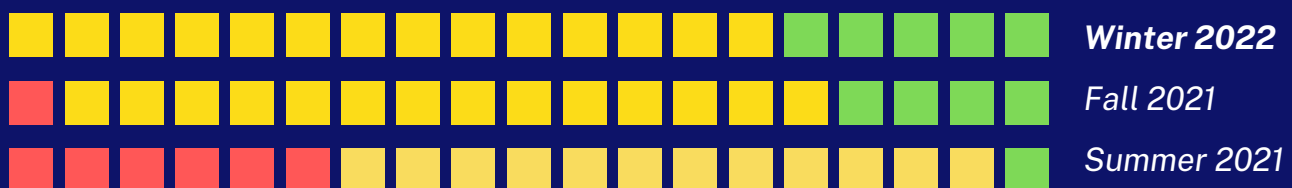
Towards achievement of all Phase 1 Action Items



Action Item Status

Indicator for all 19 Phase 1 action items

■ Not Started
 ■ In Process
 ■ Complete



■ Not Started
 ■ In Progress
 ■ Complete

Goal 1: Embed greater equity in decision-making

1.1 | Action

Direct the EEB to develop a plan to hire a Diversity, Equity, and Inclusion Consultant.

■ DEI Consultant hired.

 THIS ACTION WILL BE CONSIDERED COMPLETE WHEN:

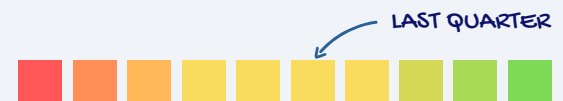


The Energy Efficiency Board completed its review of proposals submitted in response to a competitive RFP for a DEI Consultant. On March 9, 2022 the Board voted to select one of the bids, and contracting with the selected bidder is underway. The DEI Consultant will begin their work with the Board after that contract is complete.

1.2 | Action

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 appointed four new members to the Energy Efficiency Board in January 2022. The new members represent a chamber of commerce, a state-wide businesses association, low-income customers, and municipalities. DEEP will continue to refine its process for future appointments.

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

2.1 | Action

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.

 THIS ACTION WILL BE CONSIDERED COMPLETE WHEN:



DEEP has analyzed data on (1) energy burden, (2) communities of color, and (3) arrearages and shut offs for inclusion in the 2019 and 2020 Equitable Distribution Reports.

■ Not Started
 ■ In Progress
 ■ Complete

2.2 | Action

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. The 2019 and 2020 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 | Action

Broaden the current 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 PMI structure.

3.2 | Action

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 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.

■ Not Started ■ In Process ■ Complete

3.3 | Action

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.



Proposals submitted in response to the competitive RP for the DEI Consultant included plans to analyze and potentially create new equity metrics. The Energy Efficiency Board voted to approve the selection of a DEI Consultant in March 2022, and anticipates that this work will begin in the near future.

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

4.1 | Action

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 | Action

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.



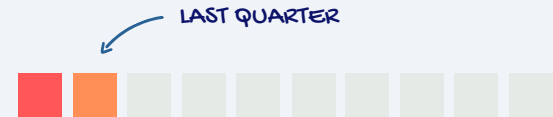
The 2019 and 2020 Equitable Distribution Reports will include an analysis of moderate-income census tracts using the definition above.

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

5.1 | Action

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.



Efforts are underway to identify and address barriers to data sharing among agencies and between agencies and the utilities.

5.2 | Action

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

- At least two workshops have been held.

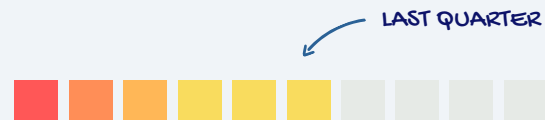


DEEP is in the process of conducting research on how best to coordinate the various energy programs that exist. Workshop content will be developed following the compilation of that research.

5.3 | Action

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 | Action

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.

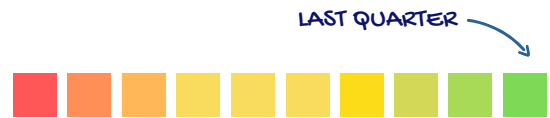


The Utilities have selected partners for the first round of the Community Partnership Initiative. DEEP looks forward to following the results of this first round and working with the utilities and eventual DEI Consultant to apply lessons learned to future outreach efforts.

6.2 | Action

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 make public participation opportunities inclusive and widely-shared. The checklist will be used across the bureau.

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

7.1 | Action

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.

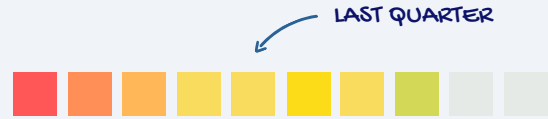


DEEP is currently conducting research on the breadth of health and safety financing measures in the state. DEEP is also coordinating with the Green Bank on this effort to identify the gaps within the state and how to address them.

7.2 | Action

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 selected a Program Operator for the Weatherization Barriers Remediation Program through a competitive RFP process in February 2022. It is anticipated that the Program Operator will begin work in mid-late 2022.

Goal 8: Address and remove barriers to participation among renters

8.1 | Action

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.



During the 2022-2024 C&LM Plan term, the utilities, as directed by DEEP, will be holding additional landlord roundtables that build off of the roundtables they held in 2021. DEEP is also exploring additional opportunities to engage with landlords on affordable housing energy retrofits.

8.2 | Action

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 hired an Office Director to lead the new Office of Affordable Housing Energy Retrofits and is exploring strategies to leverage federal funding for whole-building affordable housing retrofits.

8.3 | Action

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.

LAST QUARTER



In March 2021, the utilities developed a new process for collecting data on HES and HES-IE visits that did not proceed due to lack of landlord approval. Preliminary data suggests that 21% of units (33% of HES units and 14% of HES-IE units) were deferred for this reason from March-November, 2021. This information is critical to determining the extent to which the landlord approval is ultimately necessary to ensure residential-renter access to energy efficiency.

