



EE Equity Targets Proposal

A.22-02-005 and Related

James Ahlstedt | September 15, 2022

Equity Segment Definition

Equity: Programs with a primary purpose of providing ***energy efficiency*** to ***hard-to-reach or underserved customers and disadvantaged communities*** in advancement of the Commission’s Environmental and Social Justice (ESJ) Action Plan; ***Improving access*** to energy efficiency for ESJ communities, as defined in the ESJ Action Plan, may provide corollary benefits such as increased comfort and safety, improved indoor air quality, and more affordable utility bills, consistent with Goals 1, 2, and 5 in the ESJ Action Plan.

D.21-05-031, pages 14-15.

[Emphasis added]



Target-Setting Principles

CAEECC Equity WG Final Report, Principle #6 included two Options for target-setting. This proposal is an extension of Option 2 (i.e. targets in Budget Applications).

- A. Equity customers should be “served” at the same level as non-equity customers for similar EE programs.
 - i.e., Equity customers should achieve proportionally equivalent energy savings, bill savings, customers served, etc.
- B. Segment targets should align with authorized budget while balancing the Decision’s Equity objectives.
- C. Programs outside of the Equity segment should track the number of Equity customers served.

Proposed Targets for 2024-2027



- **15% Increase over Baseline by December 2027**
- **Parity with DAC/HTR population in PA Service Territory by 2031**

A: Who and how target populations are served	Equity_1	Metric	Total # residential (SF or MF unit) equity-targeted households (HHs) served by the Equity programs
A: Who and how target populations are served	Equity_6	Metric	Total # MF equity-targeted buildings served by the Equity programs
A: Who and how target populations are served	Equity_14	Metric	Total # equity-targeted public facilities and equipment or community projects served by the Equity programs
A: Who and how target populations are served	Equity_17	Metric	Total # small and medium business (SMB) equity-targeted participants served by the Equity programs
B: Energy and/or Cost Savings in Targeted Populations	Equity_26	Metric	Expected first-year bill savings in total \$ for equity-targeted program participants (metric)

Equity Target Explanations

1. **15% Increase over baseline by December 2027**

- The Equity segment should provide increased access to EE for Equity customers.
- In PA Applications and Testimony, some Equity programs had goals of increasing access by 20% or more.
- 15% target is an achievable proxy to encourage growth.

2. **Parity with DAC/HTR population in PA service territory by 2031**

- Provide service (with the same benefits of non-Equity programs) to same proportion of Equity customers as non-Equity customers.
- E.g. If 75% of non-equity customers were served by EE programs, 75% of Equity customers should be served.

Feedback and Questions

1. Challenges with determining if a customer is equity

- Not all programs may track if a customer is HTR/DAC/Underserved.
- Issue with information sharing for statewide programs between PAs.

2. Targets at PA and/or service territory level

- Both should be tracked since goals are the same statewide.

3. Exclusion of ESA customers from equity segment

- Decision states Equity is distinct from ESA.

4. Accounting for Health Comfort and Safety (HCS) Benefits

- The Equity segment goal is primarily for EE and secondarily HCS.

Existing Baseline Data

Aim to fully capture definitions in the EMWG Report's with no modifications.*

- Population in DAC, HTR, and Underserved areas in PA Territories
 - DAC: defined by CalEnviroScreen 4.0 – top 25% of Census Tracts, top 5% of pollution burden Tracts, 2017 DACs.
 - HTR/Underserved: Rural, CARE/Low-Income, majority non-English speaking, Tribal, multi-family residential, all other categories from D.18-05-041. (Not exclusive to residential)
- Current number of Equity customers served by existing EE programs. (May differ between PAs)

*The definition of “underserved” was non-consensus in the EMWG Report, Cal Advocates’ position is not changing.