

Equity Metrics WG Second Mtg

August 18th, 2021

California Energy Efficiency
Coordinating Committee



Agenda

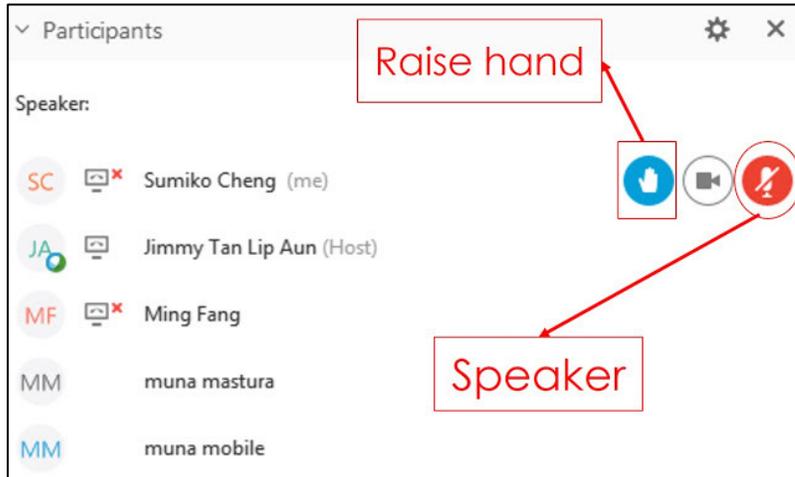
Time	Topic
9:00	Approach for Today's Meeting
9:10	Meeting Orientation and Essential Background
10:05	Break
10:15	Refine Objectives
11:15	Break
11:25	Brainstorm and Discuss Priority Metrics
12:30	Preparation for 8/31 Workshop
12:45	Wrap-Up and Next Steps
1:00	Adjourn

Primary Meeting Goals

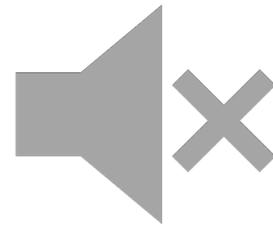
**Refine
Objectives**

**Brainstorm &
discuss priority
Metrics**

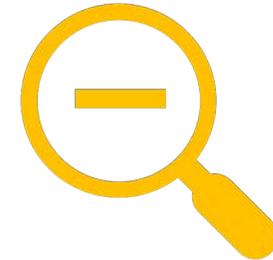
WebEx Technical Reminders



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then unmute when called upon



Mute when not speaking



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Members of the Public can provide feedback when invited via Q&A; they will be muted

Image courtesy: [Blended Learning](#)

Meeting Orientation & Essential Background

- Groundwork for discussion on structure
- Discuss key definitions (i.e., Underserved, Hard-to-Reach, Disadvantaged communities)
- Key findings from Underserved Working Group
- ACEEE presentation on dimensions of Equity



Groundwork for discussion on structure

- Is there value in framing overarching principles to inform Objectives?
 - Other considerations to guide the development of Objectives and Metrics?
- 

Discuss key definitions:
Hard-to-Reach (HTR),
Disadvantaged communities (DAC), and
Underserved

Discussion Purpose: understand who the target population is (and who is eligible) for programs within the newly created Equity segment

- HTR defined in D.18-05-041 section 2.5.2
- DAC defined in D.18-05-041 section 2.5.1
- Underserved not defined by the CPUC in D. 21-05-031 or other CPUC rulemakings.

Hard-to-Reach (HTR)

- Two criteria are considered sufficient if one of the criteria met is the geographic criteria defined below. There are common as well as separate criteria when defining hard-to-reach for residential versus small business customers. The barriers common to both include:
 - Those customers who do not have easy access to program information or generally do not participate in energy efficiency programs due to a combination of language, business size, geographic, and lease (split incentive) barriers. These barriers to consider include:
 - Language – Primary language spoken is other than English, and/or
 - Geographic – Businesses or homes in areas other than the United States Office of Management and Budget Combined Statistical Areas of the San Francisco Bay Area, the Greater Los Angeles Area and the Greater Sacramento Area or the Office of Management and Budget metropolitan statistical areas of San Diego County.
 - For small business added criteria to the above to consider:
 - Business Size – Less than ten employees and/or classified as Very Small (Customers whose annual electric demand is less than 20kW, or whose annual gas consumption is less than 10,000 therm, or both), and/or
 - Leased or Rented Facilities – Investments in improvements to a facility rented or leased by a participating business customer
 - For residential added criteria to the above to consider:
 - Income – Those customers who qualify for the California Alternative Rates for Energy (CARE) or the Family Electric Rate Assistance Program (FERA), and/or
 - Housing Type – Multi-family and Mobile Home Tenants (rent and lease)”
- Modification: include disadvantaged communities (as designated by CalEPA) in the geographic criteria for hard-to-reach customers

Disadvantaged Communities (DAC)

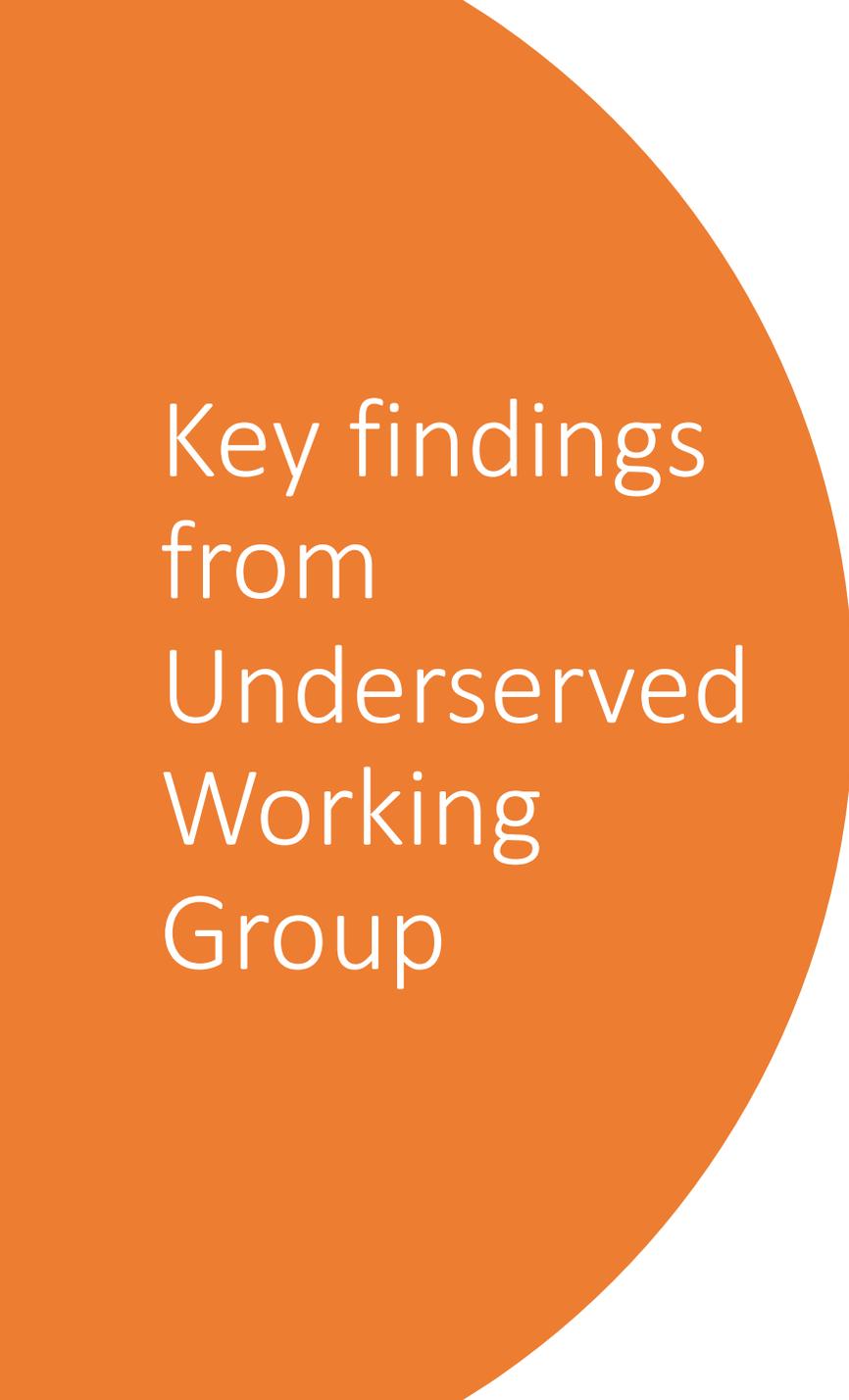
- “Pursuant to Section 39711 of the Health and Safety Code, the California Environmental Protection Agency (CalEPA) developed a means for identifying disadvantaged communities, which may include, but are not limited to:
 - (1) Areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects, exposure, or environmental degradation.
 - (2) Areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment.
- ... CalEPA, pursuant to Health and Safety Code Section 39711, defines disadvantaged communities as those census tracts scoring in the top 25 percent of census tracts statewide on the set of 20 different indicators in CalEnviroScreen. As part of its definition of disadvantaged communities, CalEPA also finds that an additional 22 census tracts that score in the highest five percent of CalEnviroScreen’s Pollution Burden indicator, but that do not have an overall CalEnviroScreen score in the top 25 percent because of unreliable socioeconomic or health data, are also defined as disadvantaged communities”

Underserved

- **Option 1: Use a tailored definition of communities that are underserved from the CPUC Environmental and Social Justice Action Plan**
- **Option 2: Allow each PA to propose a definition of “underserved” in their February 2022 filing and then let the commission decide**

Equity segment vs ESA

D.21-05-031 “EE Potential & Goals and Portfolio Approval & Oversight”:
“We also clarify that the **‘equity’ category is distinct from our separate low-income energy efficiency Energy Savings Assistance (ESA) programs**, which have separate goals and regulatory treatment. While **there is some overlap in customers within the target segments**, the ‘equity’ category is intended to be defined within the energy efficiency programs covered in this rulemaking that are **not specifically targeting low-income populations with program offerings that low-income populations could receive at no cost from the ESA program.**” Low-income customers are those that meet [CARE income guidelines](#).

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Key findings from Underserved Working Group

- Three sub-sectors
 - Residential
 - Public
 - Small-medium business
 - Summary Memo posted to 8/18 Equity Metrics WG Meeting page
 - Analysis showed statistically significant correlations between certain variables, but does not point to causal relationships
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Key findings
from
Underserved
Working
Group

Residential Sector

- **Lower participation rates** were found within zip codes with the following characteristics: **older housing stock, lower income residents, a higher proportion of renters, and a higher population of Native Americans.**
- Socioeconomic indicators correlated with unequal distribution of benefits include: **residents under the poverty line, older housing, a higher population with a disability, a higher population with no healthcare, a higher population of Native Americans, and a higher renting population**

Key findings from Underserved Working Group

Public Sector

- **Rurality** is strongly correlated with lower participation rates, lower levels of energy efficiency investments, and smaller energy savings across local government programs, both at the county and city level.
- For City programs, on-bill financing and non-resource programs are drivers of investment and savings.
- For County programs, counties with larger population and greater tax revenue are associated with greater per capita energy efficiency investment
- For K-12 schools:
 - Counties with lower household income, a lower proportion of Black or African American and Asian communities, and a greater proportion of the Native American community have lower participation rates.
 - The following variables are associated with smaller energy efficiency investments: higher percentage of Title 1 schools, lower percentage of students eligible for a free and reduced meal plan, and greater disadvantaged community (DAC) shares in the county population.

Key findings
from
Underserved
Working
Group

SMB Sector

- **Firm size**, as measured by the number of employees, had the **largest identifiable effect on participation, energy savings, and investment**
- Communities with higher percentages of the **population below the poverty line and more severe environmental issues** had lower participation.
- Found **higher rates of participation, investment, and savings** for a few variables that originally were hypothesized to be associated with lower participation and benefits. Among these were: The presence of **larger Asian and Hispanic communities**

ACEEE Background Presentation on Equity and Metrics

Wednesday, August 18, 2021

CAEECC Equity Metrics Working Group meeting

Ariel Drehobl

Local Policy Manager, Energy Equity

American Council for an Energy-Efficient Economy



American Council for an Energy-Efficient Economy



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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

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





ACEEE's Leading with Equity Initiative

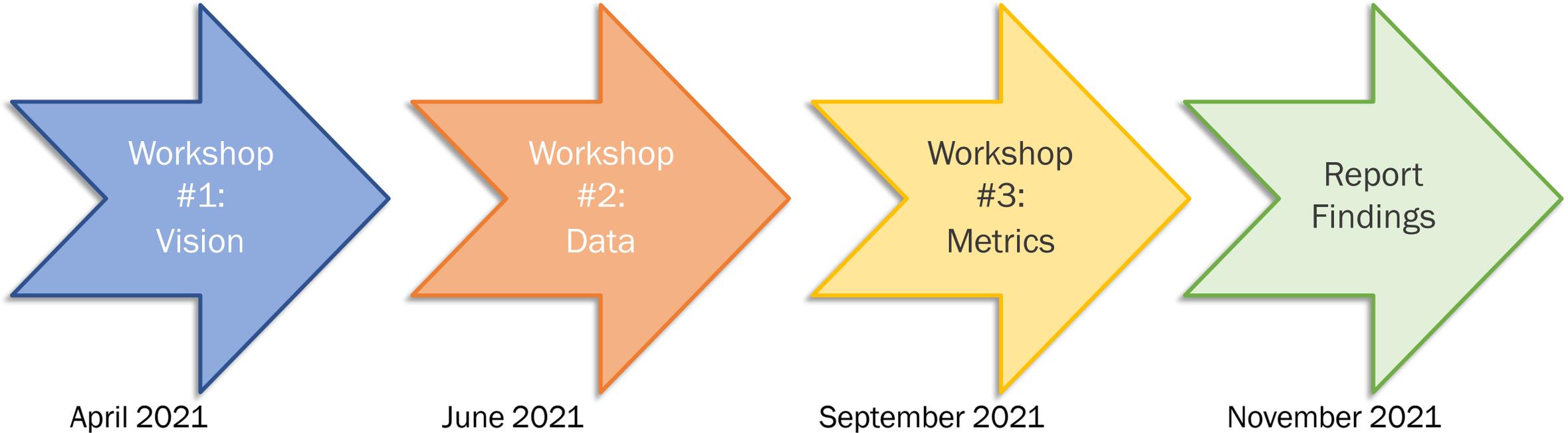
ACEEE Leading with Equity Overview

- ACEEE publishes Scorecards to benchmark cities, states, & utilities
 - www.aceee.org/state-policy/scorecard
 - www.aceee.org/local-policy/city-scorecard
 - www.aceee.org/utility-scorecard
 - www.aceee.org/electric-vehicle-scorecard
- 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

Goals of Leading with Equity

- Generate proposed changes to each of ACEEE's scorecards (Utility, City, and State), setting the bar in a way that represents real performance on the metrics that matter most to communities
- Ensure frontline communities are represented and are driving the development of a full landscape of improved equity-related metrics
- Better understand current utility, state, and city capacity to report data on desired metrics

ACEEE Leading with Equity Timeline



ACEEE Leading with Equity: Procedural Equity Metrics

- What data is available to measure progress on equity?

Data access



- What incentives are available to support stakeholder engagement?

Incentives



- Are engagement processes in multiple languages?

Language access



- How has the decisionmaker defined historically marginalized communities?

Program targeting



- What processes are in place to ensure that engagement is more than a check box?

Process accountability



- How many applicants for programs are from marginalized communities?

Program accessibility



- How many and what types of policies and programs have engagement processes in place to support them?

Community engagement topics



ACEEE Leading with Equity: Distributional Equity Metrics

• Is there an energy affordability goal? Are they tracking progress towards this goal?

Energy affordability



• How accessible are financing tools for marginalized communities to access clean energy investments?

Access to financing



• Are service disconnections and outages tracked? How frequent and for how long are they? Do they impact BIPOC most?

Energy access



• Are there process to ensure that marginalized groups receive at least the benefits that they put into the system?

Equitable benefits



• What percentage of eligible LMI households participate or access program benefits?

LMI Participation



• Who is benefiting from hiring and workforce development initiatives, training for contracts, and R&D?

Procurement



• Are investments such as jobs creating community wealth-building resources?

Targeted investments



• What is the diversity of the clean energy workforce? Are jobs accessible and with good benefits?

Workforce



• Are health impacts related to energy generation pollution tracked? If so, what's their impact on BIPOC communities?

Health impacts



• Who owns and profits from clean energy investments?

Ownership



• Who is receiving clean energy investments?

Access to benefits



• What percentage of LMI households qualify for programs but don't have access?

Access for LMI



• Is there data available on energy usage per square foot for LMI households?

Energy use



ACEEE Leading with Equity: Structural Equity Metrics

- Are there consistent benchmarks in place with accountability timelines to track progress toward equity-related goals?

Benchmarks



- What protections are in place to protect customers from loss of service, unaffordable energy, etc.?

Consumer protections



- Is data on demographics for program participants, energy burdens, and other energy data transparent and accessible across programs?

Data access



- Are program outcomes consistently evaluated against benchmarks to track progress towards equity and other goals?

Evaluation



- What types of incentives do the city/state/utility offer to support investment in clean energy?

Incentives for clean energy



- Is program information available in the languages of communities who are historically underserved by programs?

Language access



- How comprehensive are services offered to LMI and marginalized communities (e.g., weatherization vs. direct install measures)?

Comprehensiveness



- How is the state/city/utility streamlining program offerings and enrollment to make it easier for households to access services?

One-stop-shop model



- Are there programs in place that close the racial wealth gap, especially for smaller property owners and homeowners?

Wealth building



- What percentage of decisionmakers are BIPOC or from historically marginalized communities?

Decisionmaker representation



ACEEE Leading with Equity Resources

- Landing Page:
aceee.org/energy-equity-initiative
- Sign up for Newsletter and ways to participate:
survey.alchemer.com/s3/6168745/ACEEE-LWE-Interest-Form
- Metrics Prioritization Survey—for community feedback:
survey.alchemer.com/s3/6478441/Leading-With-Equity-Ranking-Metrics-Community-Survey



Break

Refine Objectives

- Summarize Overall [Poll Outcomes](#)
- Discuss Cross-Cutting Themes, Areas of Convergence and Divergence, Implications for Refinement
- Equity topics to discuss (e.g., Social Determinants of Health, overarching principles)
- Test for Support of Potential Consensus Objectives
- Next Steps to Revise and Finalize Objectives

Summarize Overall Poll Outcomes

	Objective 1: Directly support hard-to-reach, disadvantaged, and/or underserved individuals, households, businesses, and communities in realizing near and long-term energy savings and greenhouse gas reduction benefits.	Objective 2: Prioritize serving customers in each market segment with the greatest need.	Objective 3: Provide non-energy benefits, which include, for example, increased comfort and safety, improved air quality, and more affordable utility bills.	Objective 4: Prioritize grid reliability and climate resilience.
Rating (note 3.5 is median on scale)	<i>Highest (5.8/6.0)</i>	<i>3rd (3.4/6.0)</i>	<i>2nd (5.2/6.0)</i>	<i>Lowest (2.4/6.0)</i>
Ranking, relative to the other Objectives	<i>1st</i>	<i>3rd</i>	<i>2nd</i>	<i>4th</i>
Recommendation to Retain Objective (including with modifications)	<i>100% of poll respondents recommended keeping the Objective</i>	<i>80% of poll respondents recommended keeping the Objective</i>	<i>95% of poll respondents recommended keeping the Objective</i>	<i>55% of poll respondents recommended keeping the Objective.</i>

Discuss Cross-Cutting Themes, Areas of Convergence and Divergence, Implications for Refinement

- Strong response from working group, thanks!
- Notable clustering of responses as follows:
 - Unanimous support for one Objective
 - Very strong support for two Objectives
 - Only mild support for one Objective (55%)
- On the question of grid reliability, five respondents were definitive in suggesting it should not be included
- An alternative framing (noted in the matrix) – plug it into one of the Objectives
- Recurring suggestions to define terms (links directly back to our previous definitions discussion)
- A couple of structural suggestions to focus objective on a single topics
- Several suggestion for greater specificity suggest candidate metrics



Equity Discussion Topics

- Social Determinants of Health (brief presentation from ACEEE)
 - ESJ Action Plan Goals (quick overview)
 - Overarching Principles vs Objectives (and impact on Metrics framework)
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ACEEE Presentation on Determinants of Health in Energy Efficiency

Wednesday, August 18, 2021

CAEECC Equity Metrics Working Group meeting

Ariel Drehobl

Local Policy Manager, Energy Equity

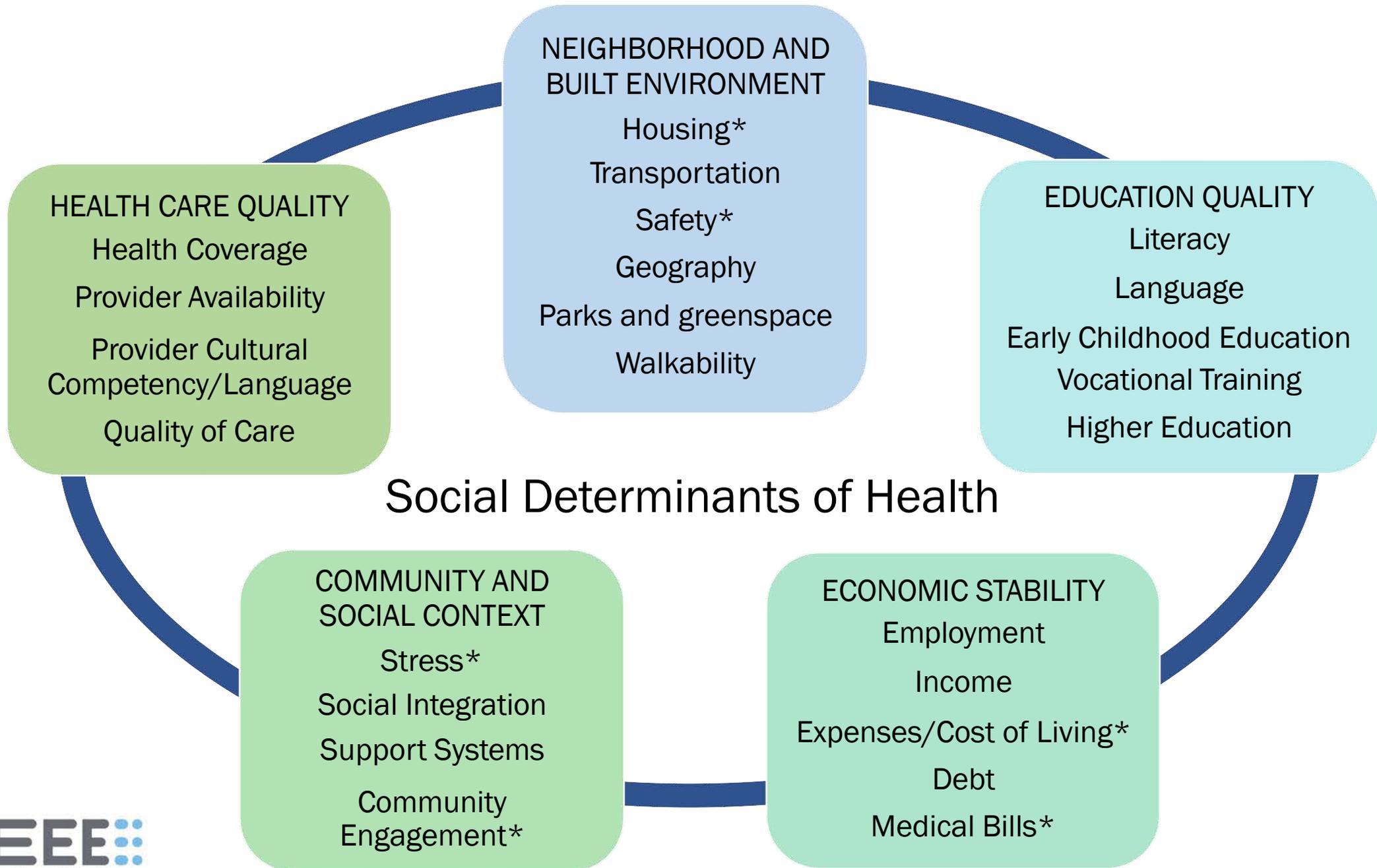
American Council for an Energy-Efficient Economy



American Council for an Energy-Efficient Economy

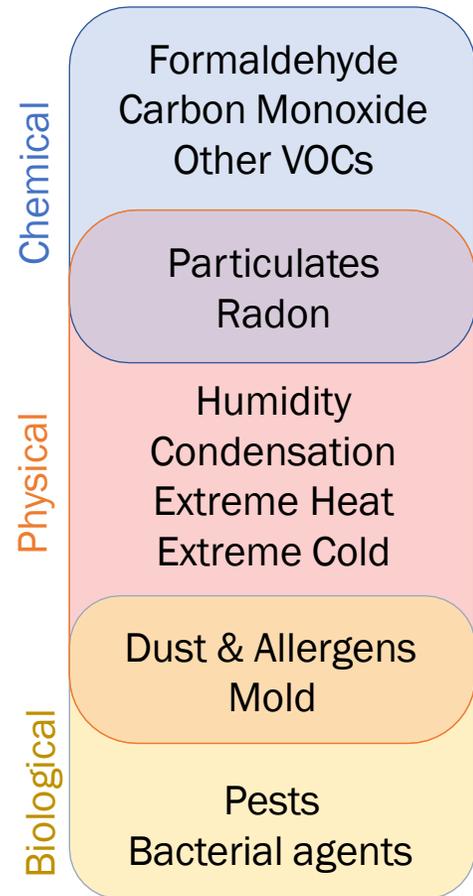
Social Determinants of Health in Energy Efficiency and Weatherization Programs



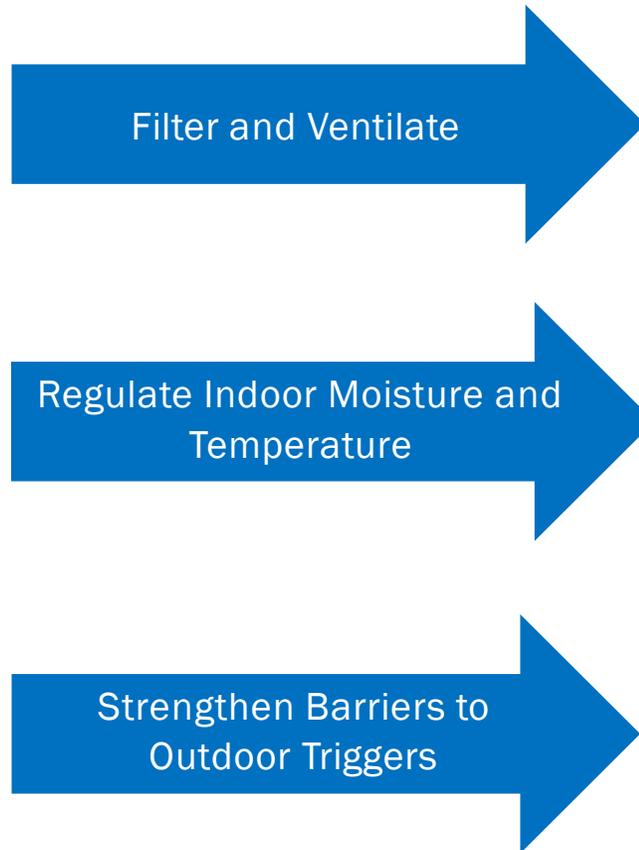


EE Health Benefits for Building Occupants

Common health stressors in homes include...



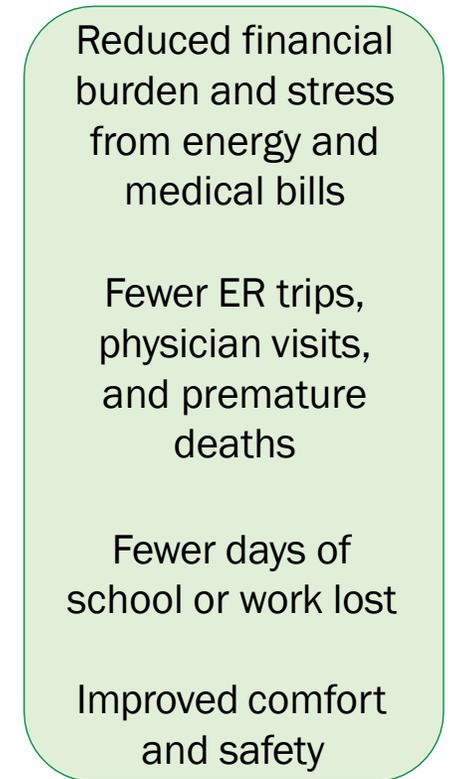
Weatherization measures help to...



This reduces or prevents health issues like...



And leads to benefits including...



SDOH as Equity Indicators

Measures of social determinants of health may help highlight equitable or inequitable outcomes in combination with other demographic data that can help track disparities in outcomes among vulnerable groups

Relevant factors include (but are not limited to):

- Pollution vulnerability indices
- Housing stock characteristics
- Percentage of population with disease symptoms (e.g., asthma symptoms)
- Proximity to hazardous infrastructure
- Population income and employment characteristics
- Linguistic isolation and access to services

Adapted from [“Justice in 100 Metrics” \(Initiative for Energy Justice\)](#), p.25-27

Social Determinants of Health



Direct and Indirect Indicators of Health Commonly Measured by In-Home Energy Programs

Direct measures of human health and wellness

- Days of school missed
- Days of worked missed
- Hospital admissions
- Emergency room visits
- Visits to the doctor
- Calls to the doctor
- Asthma symptoms
- Uncontrolled asthma
- Prevalence of other respiratory illnesses

Indicators that predict or correlate to health and wellness outcomes:

- Adequate ventilation equipment
- Working smoke detectors and CO/radon monitors
- Needed structural repairs
- Mold and other remediation activities
- Repair or replacement of furnaces
- Maintenance history

Physical, chemical, and biological factors that can impact health

- Air pollutants –particulates, radon, CO, NO_x, VOCs, smoke
- CO₂/Ventilation rates
- Temperature
- Humidity and moisture
- Mold and mildew
- Pests, insects and rodents
- Pet hair and dander

Equity Metric Resources

- “Justice in 100 Metrics: Tools for Measuring Equity in 100% Renewable Energy Policy Implementation” (Lanckton and DeVar, Jan. 2021) Includes a range of utility actions and proposed metrics to track related outcomes and progress, including a section on health.
iejusa.org/wp-content/uploads/2021/03/Justice-in-100-Metrics-2021.pdf
- The State of Equity Measurement A Review for Energy-Efficiency Programs (Martin & Lewis, Sept. 2019) - Urban Institute and Green & Healthy Homes Initiative. Includes a review of health-related equity metrics and their relevance to energy efficiency.
www.urban.org/sites/default/files/publication/101052/the_state_of_equity_measurement_0_0.pdf
- ACEEE Health + Energy Program Design Resources
 - Guidance Document: “Measuring Impacts of Energy Efficiency Programs on Participant Health and Well-Being”: drive.google.com/file/d/1TY7fnvilaGcKNld8IJtzF2--vYZaJgZr/view?usp=sharing
 - Complete Program Design Network resources:
drive.google.com/drive/folders/11PaxbQ_IFXdi94nbaPmDlvpimtA53_K5?usp=sharing

Thank you for your attention!

Please send additional questions to:

Ariel Drehobl
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(202) 930-3290



ESJ Action Plan Goals

Yellow highlight denotes Goals the CPUC called out when defining the new Equity segment

1. Consistently integrate equity and access considerations throughout CPUC proceedings and other efforts

2. Increase investment in clean energy resources to benefit ESJ communities, especially to improve local air quality and public health.

3. Strive to improve access to high-quality water, communications, and transportation services for ESJ communities.

4. Increase climate resiliency in ESJ communities.

5. Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC's decision-making process and benefit from CPUC programs.

6. Enhance enforcement to ensure safety and consumer protection for ESJ communities.

7. Promote economic and workforce development opportunities in ESJ communities.

8. Improve training and staff development related to ESJ issues within the CPUC's jurisdiction.

9. Monitor the CPUC's ESJ efforts to evaluate how they are achieving their objectives.



Next Steps to Revise and Finalize Objectives





Break

Brainstorm & Discuss Priority Metrics

- Review previously proposed metrics, identify gaps, brainstorm new metrics, and discuss potential set of Metrics to recommend for each Segment Objective
- Discuss Next Steps to Test for Support of Potential Consensus Metrics

Metric Setting Principles

- Be used and useful by program administrators to manage their portfolio
- Be timely
- Rely on data used in program implementation
- Be simple to understand and clear of any subjectivity
- Be output-based
- Have a readily interpretable meaning, with context added, if needed
- Not be a replacement for evaluation, measurement, and verification (EM&V)
- Have longevity

Sample Equity-related metrics that many PA's populate across several portfolio sectors

Metric	Sector
Percent of total WE&T training program participants that meet the definition of disadvantaged worker.	Workforce Education and Training (WET)
Percent of incentive dollars spent on contracts* with a demonstrated commitment to provide career pathways to disadvantaged workers	Workforce Education and Training (WET)
Number Career & Workforce Readiness (CWR) participants who have been employed for 12 months after receiving the training	Workforce Education and Training (WET)
Percent of participation in disadvantaged communities	Residential (RSF)
Percent of participation by customers defined as "hard-to-reach"	Residential (RSF)
Percent of participation in disadvantaged communities	Residential Sector – Multi-family (RMF)
Percent of participation by customers defined as "hard-to-reach"	Residential Sector – Multi-family (RMF)
Percent of benchmarking by properties defined as "hard-to-reach"	Residential Sector – Multi-family (RMF)



Review previously proposed metrics, identify gaps, brainstorm new metrics, and discuss potential set of Metrics to recommend for each Segment Objective

Preparation for 8/31 Workshop

- Review and discuss agenda strategy
- Review outreach thus far, discuss additional organizations to invite (particularly how to solicit community input)

Agenda Strategy for 8/31 Equity Metrics Workshop

-
- 9 am Introductions, Overall Purpose of the Effort
- 9:05 Goals for Today, Flow of meeting: plenary, breakouts, reconvene, final plenary, wrap up
- 9:15 Level Setting (orientation to terms as needed)
- 9:20 Brief Overview of Progress to Date
- 9:40 Break
- 9:50 Tee up Instructions and Logistics for Breakout Sessions
- 9:55 Convene Breakout Sessions—
Framing Question (for distribution or posting in advance of the meeting)
1. *Of the draft Objectives, which are most important to you and why?*
 2. *What other Objectives, if any would you like to propose?*
 3. *Of the draft Metrics, which are most important to you and why?*
 4. *What other Metrics if any would you like to propose?*
- 11:00 Break, transition back to Plenary
- 11:10 Reconvene, Debrief, Report out from Each Breakout Group
- 11:35 Identify Cross Cutting Themes
- 11:50 Implications for next steps
- 12:00 Adjourn
-

Workshop Outreach Strategy Discussion

- Facilitation team, Co-Chairs, and ED have invited the following:
 - Full CAEECC listserv
 - CPUC general and low-income energy efficiency service lists
 - Disadvantaged Community Advisory Group
 - Low-Income Oversight Board
- Noting goal of reaching community representatives, **who else should be invited?**

Meeting Dates & Tasks

Meeting/ Workshop	Date	Tasks
First WG Mtg.	15-Jul	<ul style="list-style-type: none"> -Discuss WG final deliverables, and any assumptions to make WG successful -Review pre-existing Objectives and Metric(s) -Identify gaps in Objectives and Metric(s) -Brainstorm alternatives -Discuss initial priorities
Second WG Mtg.	18-Aug	<ul style="list-style-type: none"> -Flesh out Objectives and Metric(s) -Identify options in cases where consensus is not reached
Equity Workshop	31-Aug	<ul style="list-style-type: none"> -Get feedback on Objectives & Metric(s) (test for completeness & preferences for options in cases where consensus is not reached) -Consider using polling techniques to reveal and document participant preferences
Third WG Mtg.	14-Sep	<ul style="list-style-type: none"> -Refine Objectives & Metric(s) -Seek consensus on Objectives and Metrics -Discuss the basis PAs should use in setting Targets for Metrics in their filings
Final WG Mtg.	29-Sep	<ul style="list-style-type: none"> -Finalize recommendations document -Strive for consensus & record supporters of options where consensus is not reached

Wrap-Up and Next Steps

- Debrief where ended up and how meeting went
- Discuss next steps including homework assignments and potential sub-WGs (if multiple approaches to Objectives/Sub-Objectives, and/or for Metrics development for each Objective/sub-Objectives)