A BIT ABOUT ME

I AM:

- A **facilitator** and **strategic consultant**, with 15 years of professional experience working with utilities, non-profits and public organizations

- **Founder & CEO** of **Encolor**, a firm committed to supporting diversity, equity, and inclusion initiatives

- A certified Diversity Professional (**CDP**), qualified administrator of the Intercultural Development Inventory (**IDI**), and **Lean Six Sigma Green Belt**

- **M.B.A.** graduate of California State University, Dominguez Hills

- A member of the Board of Directors of the **Association of Energy Services Professionals** (AESP) and a member of the **DEI Council**

ENCOLOR

WHY ARE WE HERE?

- As an industry, we recognize the importance of **ensuring all customers have equitable access to the benefits of the clean energy transition**. While this outcome is something we agree on in concept, we continue to struggle to meet the needs of our most vulnerable customers in action.

- For many of us, 'vulnerable' means frontline, disadvantaged, or marginalized. But to really address the **needs of our most vulnerable customers**, we need to **specifically design for all**. This includes customers with varying abilities, experiencing limited incomes, and our senior communities.

- In this session, we will **discuss practical solutions and tactics** we can all implement immediately as we **develop programs that address the needs of all customers** and result in truly equitable outcomes.

But first…

Power Dynamics

What is power?

1. ability to act or produce an effect

2. the capacity or ability to direct or influence the behaviors of others or the course of events

3. legal or official authority, capacity, or right

4. possession of control, authority, or influence over others

POWER DYNAMICS

"Power dynamics" refers to the degree of **influence** or **control** one person, or group of people, can exercise over another person or group of people. There are **various types of power**, which may impact the various types of relationships and interrelationships between people, whether personally or systemically.

POWER DYNAMICS

WHEEL OF POWER/PRIVILEGE

Adapted from ccrweb.ca

@sylviaduckworth
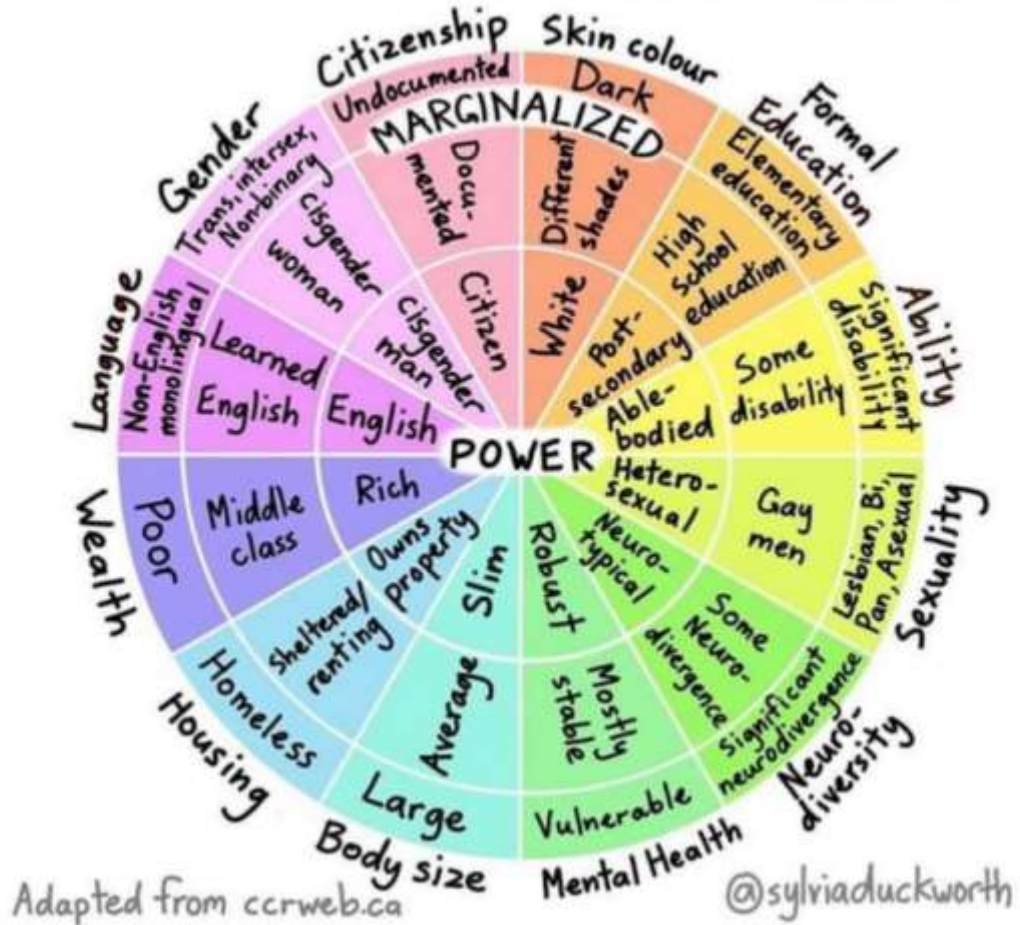
Take a few minutes to complete the self-assessment.

Think about where you land on the privilege spectrum.

- Were you surprised where you fall on the spectrum?

- Are there aspects of your identity that influence how you perceive the world…or how the world perceives you?

- Think about how we describe those that are in most need of our products and services? Where do they fall on this spectrum of power?

ENERGY BURDEN

ENERGY <u>BURDEN</u>

A measure of the percentage
of gross annual income spent
on utility services
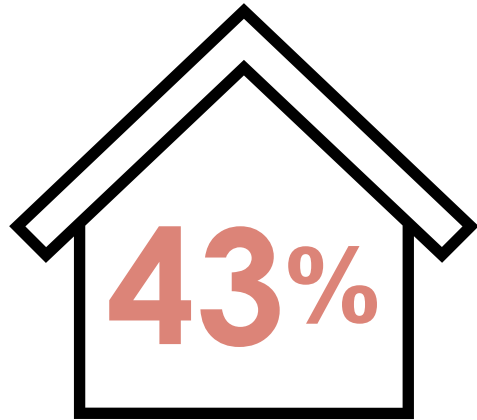
ENERGY <u>INSECURITY</u>

Includes both the economic
and physical hardship that
can affect households living
in energy inefficiency housing

Compared with white, non-Hispanic households…

43%

20%

45%

Black households spend

43% more

Hispanic households spend

20% more

Native American households spend

45% more

of their income on energy costs

ENERGY BURDEN IN DETROIT:

3.7X
The median energy burden of low-income households in Detroit is 3.7 times higher than non-low-income households

2.4X
The median energy burden of low-income multifamily households in Detroit is 2.4 times higher than multifamily households

54%
The median energy burden of Black households in Detroit is 54% higher than that of non-Hispanic white households
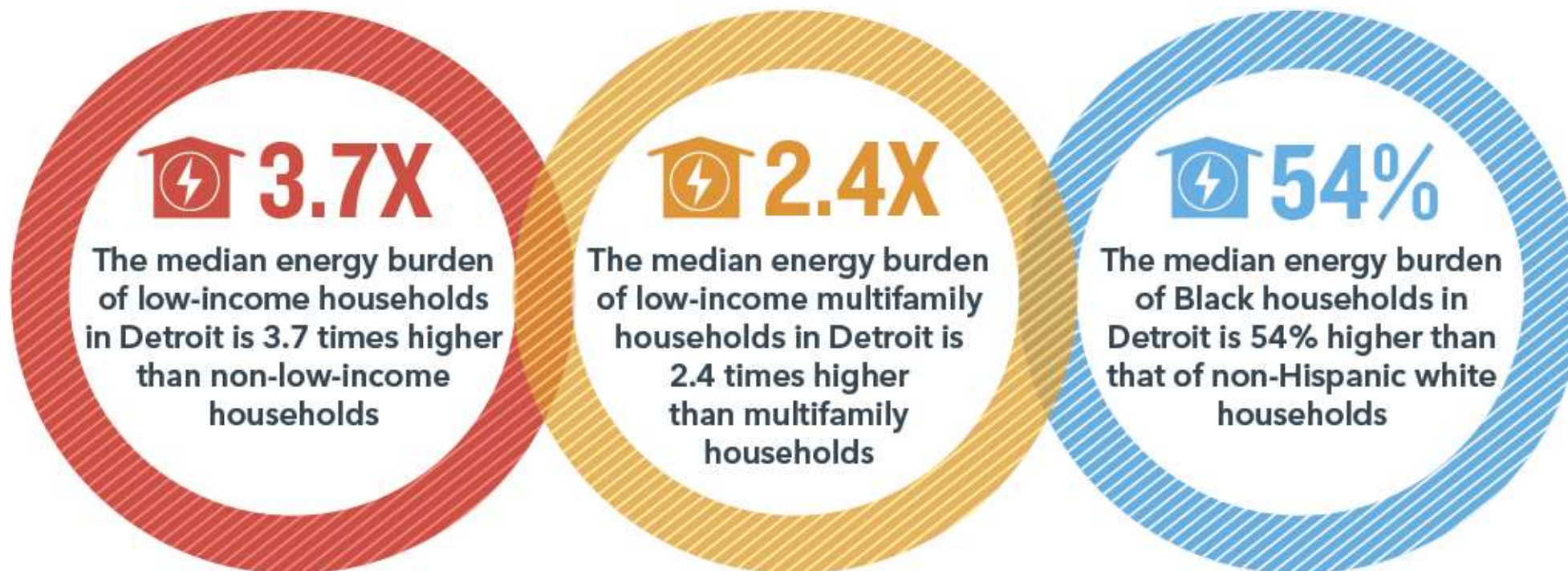
Low-income households face disproportionally high energy burdens
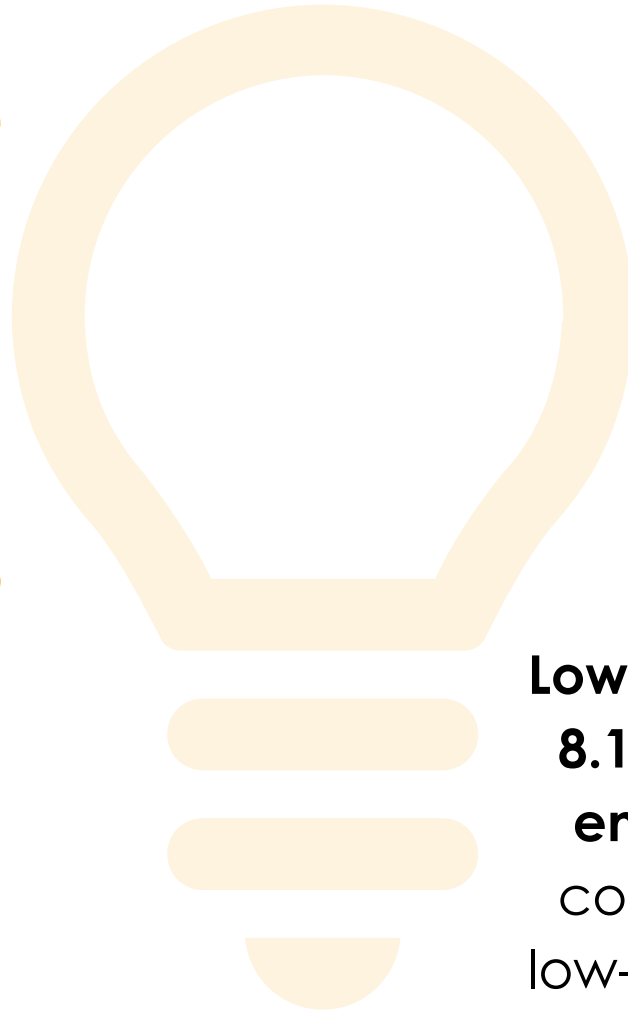
Low-income households spend **8.1% of their income on energy costs**, **on average,** compared to **2.3%** for non-low-income households

WATCH: 2020 Energy Burden Report

These households are confronted with daily, difficult decisions, such as:
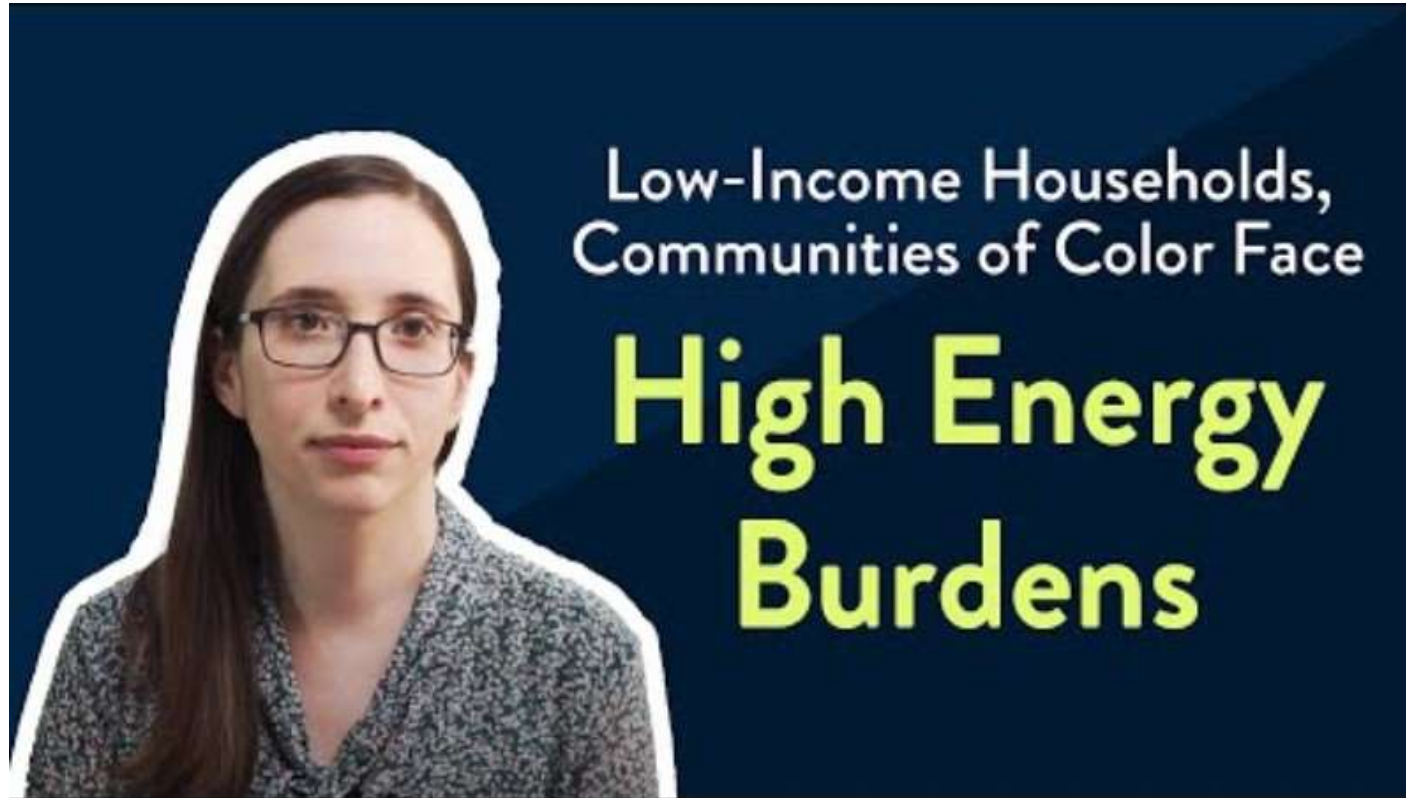
- High energy burdens as a result of utilizing energy services over other necessities, such as food or medicine
  - ➜ Potentially impacts **quality of life**

- Living with uncomfortable conditions to save money
  - ➜ Potentially impacts **health**

- Seeking cheaper alternatives for heating, cooling, and other utility services
  - ➜ Potentially impacts **safety**

INTERSECTIONALITY

in ·ter ·sec ·tion ·al ·i ·ty | \ ˌin-tər-ˌsek-shə-ˈna-lə-tē

The complex, cumulative way in which the effects of multiple forms of discrimination combine, overlap, or intersect, especially in the experiences of marginalized individuals or groups.

Example: racism, sexism, and classism
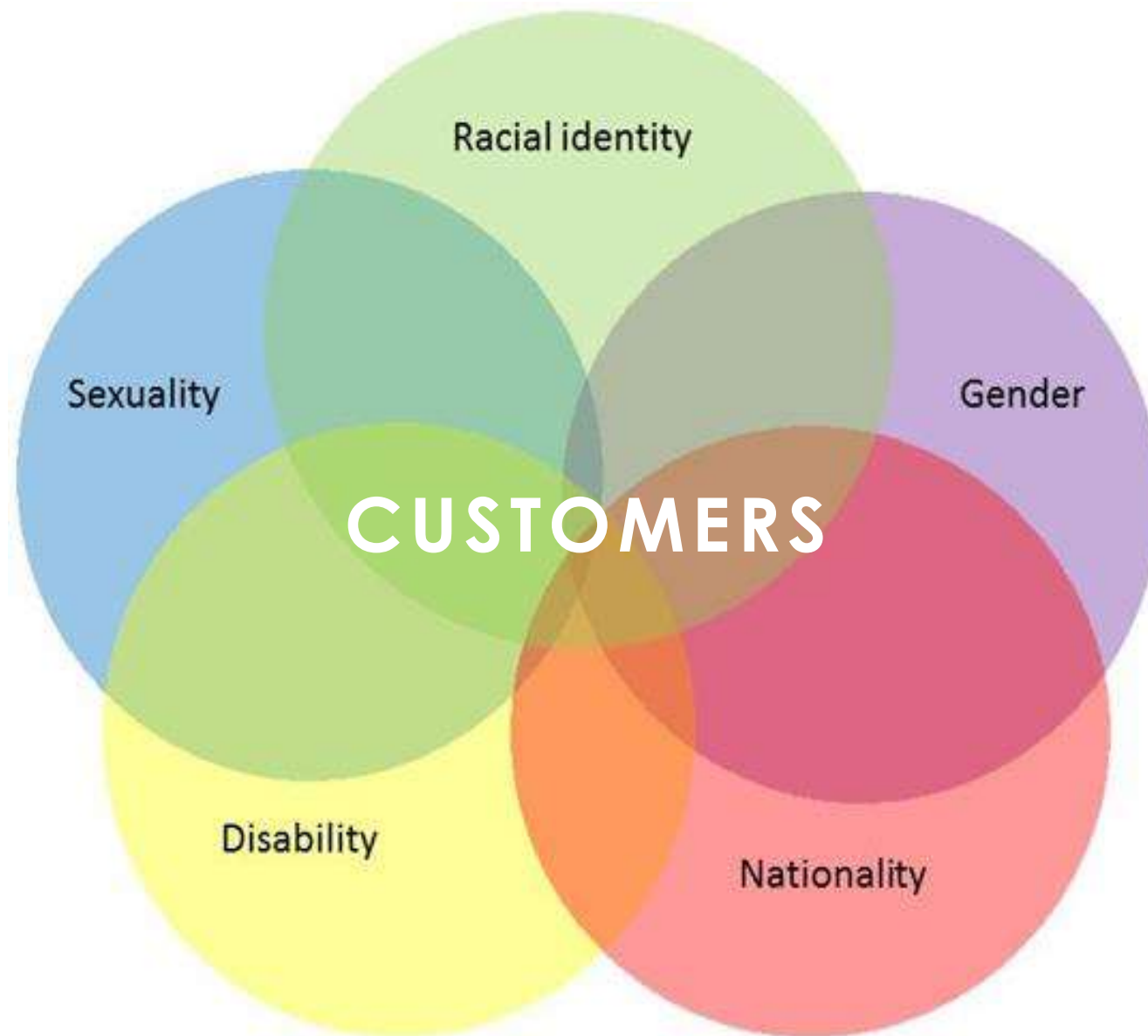
INTERSECTIONALITY

What does it mean for the energy industry?

Inequality based on gender, race, ethnicity, sexual orientation, gender identity, ability, class, and other forms of discrimination "intersect" to create unique dynamics and affect how people engage with our programs.

WHY IS THIS
COMPLICATED?

- Structural racism illustrated through disinvestment in communities of color

- Redlining and denial of mortgages resulting in reduced homeownership

- Lack of economic or educational opportunities for advancement

- Inferior condition of housing stock within the community

- Lack of resources to maintain or pay up-front costs for energy efficiency upgrades

WATCH: Equity Doesn't Happen By Accident

Ensure equitable:

✓ **access to programs**

✓ **distribution of dollars**

✓ **benefits**

✓ **representation**

But it's not just outward program equity.

It's a
Holistic Equity Strategy

✓ **for customers**

✓ **for vendors and partners**

✓ **for employees**

While government and ratepayer-funded energy efficiency programs have made strides towards equity by enabling low-income households to access energy-efficiency measures, **that has not yet extended in a major way to other clean-energy technologies**.

States and utilities can take the lead to **make sure the clean-energy transition does not leave behind low-income households and communities of color**. Decarbonization and energy equity goals are not mutually exclusive, and in fact, they need to go hand-in-hand.

– Lisa Schwartz, Manager & Strategic Advisor, Berkeley Lab

EQUITY METRICS

Energy Equity Project Report 2022

EEP Framework

- Guiding principles for recognition, procedural, distributional and restorative dimensions of energy equity

- Review of 148 proposed energy equity measures, with accompanying resources and implementation guidance

- Big picture energy equity takeaways and ideas for how to get started

METRICS TO MEASURE EQUITY:

PROCEDURAL	**Procedural**	To what extent are BIPOC, frontline, and low-income residents able to engage in PUC cases, decarbonization planning, and have a meaningful voice in how plan and policies are created and designed. To what extent are they the architects of their energy future?	· Presence/extent of intervenor funding and resources · PUC commissioner selection process and representation · Mandatory equity training for PUC (and utility?) staff · Data disclosure requirements · Utility performance incentives and penalties tied to equity targets
	Access	How easy is it for people to learn about, qualify for, and enroll in programs?	· Multi-lingual ads, program materials, enrollment, and participation · Marketing representing and to BIPOC, frontline audiences · Disparities in participation rates · Financing availability and eligibility requirements · Access for renters · Auto- and co-enrollments, ease of enrollment
DISTRIBUTIVE	**Household benefits**	Captures immediate financial and health benefits that participating households receive.	· Proportion of high impact programs received by BIPOC, LI, frontline households · % BIPOC households achieving >25% energy savings · Reduction in unhealthy/unsafe housing conditions among BIPOC; improved indoor air quality · Reductions in negative health conditions among BIPOC
	Community benefits	Captures medium- and long-term community level or indirect benefits including health, wealth-building, jobs, and environment.	· % of new jobs held by BIPOC, frontline, low-income · % of work for BIPOC-owned businesses; supportive policies · Wages and job quality for BIPOC, disparities · Reduction in heat islands, localized flooding · Improved outdoor air quality · Community health outcomes

LEADING KPIs

- Number of calls received from underserved zip codes and/or communities
- Community-based organization program awareness
- Percentage of collateral translated to target languages

- Number of diverse suppliers submitting proposals
- Size and scope of contracts minority/women owned
- suppliers.

- Number of diverse job applicants

- Percentage of minority/women trades allies in network
- Number of diverse trades attending networking events
- Number of projects submitted by diverse trade allies

LAGGING KPIs

- Increase the number of program participants in underserved communities
- Increase number of minority program participants
- Increase percentage of program dollars spent in disadvantaged communities

- Increase engagement with community-based organizations
- Increase contracts with minority/women owned suppliers
- Increase annual budget spend with diverse suppliers

- Increase diversity in recruitment/hiring of program staff

- Increase trade ally network diversity
- Increase diverse trade ally program participation
- Increase number of projects submitted by diverse trade allies
- Develop systems to collect, track, analyze and report demographic information

However…

You can't <u>measure</u> what you haven't <u>defined</u>.

EQUITY

eq·ui·ty | e·kwə·tē

Justice according to natural law or right

Specifically: freedom from bias or favoritism

PILLARS OF AN EQUITABLE ENERGY SYSTEM

Structural Equity

Decision-makers **recognize the historical, cultural, and institutional dynamics** that have led to energy inequities

Procedural Equity

Decision-makers **create inclusive and accessible processes** to develop and implement energy programs

Distributional Equity

Energy policies and programs **fairly distribute benefits and burdens** across all segments of communities

How Others Define Energy Equity

Equity is just and fair inclusion.

Energy equity is the fair distribution of the benefits and burdens of energy production and consumption.

"Energy justice refers to the goal of achieving equity in both the social and economic participation in the energy system, while also remediating social, economic, and health burdens on marginalized communities."*

UPLIFTING COMMUNITY

To address the needs of the community, we first must understand their 'why.'

- This isn't your *why*. This is the community's *why*.

- Understand why the community has been underinvested, likely in multiple areas including - healthcare, education, transportation as well as energy infrastructure.

- Educate yourself beyond cultural competency and think about structural competency.

Think about your own community or a program you are currently designing, implementing or evaluating.

- Do you know the community's *why*?

- Identify three reasons/issues/challenges they face that your program could help solve or mitigate.

Before beginning, consider:

- Do you know the stakeholders in the community?

- Have you engaged key influencers?

- Does your network include the community

- Have you included community in the conversation?

- Who is in your community who might be hidden or unseen?

Practice network mapping and review the spectrum of engagement:

- Practice Network Mapping: Who do you know? Who might they know? How close are you to key influencers in the community?

- Review the Spectrum of Engagement. Have you brought community into the room? In what Stage of the decision-making process?

ASK YOURSELF

The State of Equity Measurement lists a few questions to ask as program teams begin to develop metrics:

- Do you understand the historical legacies of disparities in which an intervention — be it a specific service, program, agency or institution — is implicated?

- Do you have a detailed awareness of populations that were affected by past disparities and of new populations that may be negatively affected by planned interventions?

- Have you included the perceptions and insights from all recipients or stakeholders at all levels of intervention design, staffing, management and execution?

- Have you ensured that the processes for eligibility and application for a service are not exclusionary - that is, that access is equitable, not discriminatory and fair?

- Are there differences in service outputs which can indicate underlying disparities between groups' needs or constraints in relation to an intervention, or in the intervention's design?

- All things being equal, have you acknowledged that a service may produce desirable or unintended disparate impacts between groups despite purported equal access and treatment?

COMMUNITY ENGAGEMENT

Ameren IL and
Peoria Guild of Black Artists

KEY FINDING:

Despite these realities, a clear message came through discussions with the IMT advisory panel:

Truly equitable policy and research must be informed by conversations with impacted communities as early in the process as possible.

As one member described, "Equitable policy design without input from frontline communities will lead to whitewashing. You're then left with a policy that was designed by privileged, often white, people with predetermined outcomes for communities they have never lived in."

COMMUNITY-BASED ORGANIZATIONS (CBO)

2. Highly impacted, little influence: Prioritize this group for inclusion and equity strategies

1. Highly impacted, high influence: This group will likely already be at the table. Manage their continued participation, and sharing influence from those in Quadrant 2.

3. Low impact, low influence: This group is not an obvious priority. However, maintain communication to honor transparency should they eventually shift into another quadrant.

4. Low impact, high influence: Consult with this group for their expertise and influence. Strategies should focus on leveraging power to further advance position of stakeholders in Quadrant 2.

Impacted by Decision

Influence in Process

SPECTRUM OF COMMUNITY ENGAGEMENT TO OWNERSHIP

▶▶▶▶▶▶ INCREASED EFFICIENCY IN DECISION-MAKING AND SOLUTIONS IMPLEMENTATION ▶▶▶▶▶▶ EQUITY

STANCE TOWARDS COMMUNITY	IGNORE 0	INFORM 1	CONSULT 2	INVOLVE 3	COLLABORATE 4	DEFER TO 5
IMPACT	Marginalization	Preparation or Placation	Limited Voice or Tokenization	Voice	Delegated Power	Community Ownership
COMMUNITY ENGAGEMENT GOALS	Deny access to decision-making processes	Provide the community with relevant information	Gather input from the community	Ensure community needs and assets are integrated into process & inform planning	Ensure community capacity to play a leadership role in decision-making and the implementation of decisions.	Foster democratic participation and equity through community-driven decision-making; Bridge divide between community & governance
MESSAGE TO COMMUNITY	*Your voice, needs & interests do not matter*	*We will keep you informed*	*We care what you think*	*You are making us think, (and therefore act) differently about the issue*	*Your leadership and expertise are critical to how we address the issue*	*It's time to unlock collective power and capacity for transformative solutions*
ACTIVITIES	Closed door meeting Misinformation Systematic Disenfranchisement Voter suppression	Fact sheets Open Houses Presentations Billboards Videos	Public Comment Focus Groups Community Forums Surveys	Community organizing & advocacy Interactive workshops Polling Community forums Open Planning Forums with Citizen Polling	MOU's with Community-based organizations Citizen advisory committees Collaborative Data Analysis Co-Design and Co-Implementation of Solutions Collaborative Decision-Making	Community-driven planning and governance Consensus building Participatory action research Participatory budgeting Cooperative models
RESOURCE ALLOCATION RATIOS	100% Systems Admin	70-90% Systems Admin 10-30% Promotions and Publicity	60-80% Systems Admin 20-40% Consultation Activities	50-60% Systems Admin 40-50% Community Involvement	20-50% Systems Admin 50-70% Community Partners	80-100% Community partners and community-driven processes ideally generate new value and resources that can be invested in solutions

What are your desired outcomes?

First and foremost, you must identify your desired outcomes.

- What do you want to achieve from the program?

- Does it align with the *why* of the communities?

- How do your goals impact community?

Write out your initiative or program goals.

- Did community influence them?

- How could you ensure they are community-focused, even if your goals are required by some policy, law, or regulation?
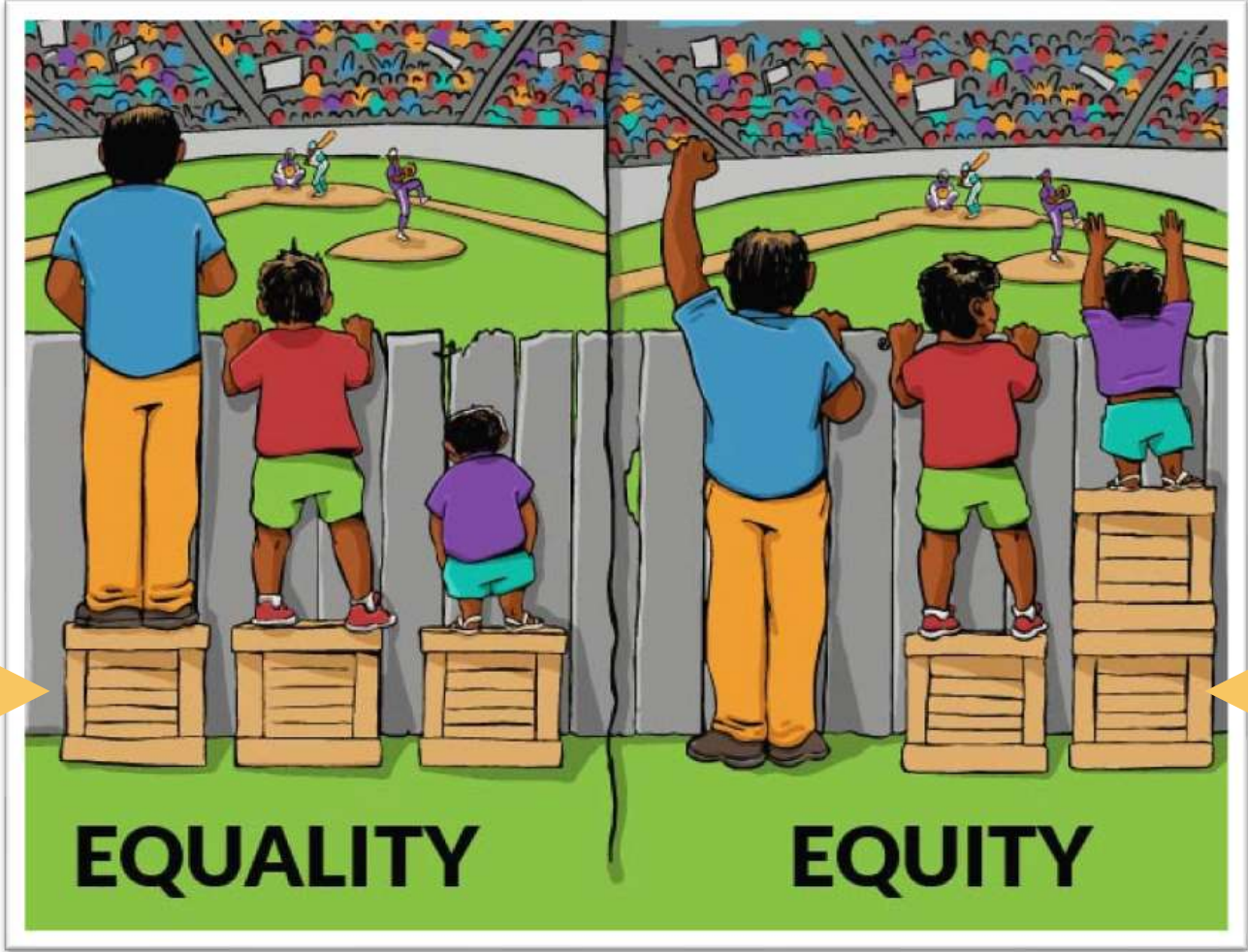
What does this mean to our energy programs?

- Align your **definition of equity** with the **needs of the community**

- Identify and acknowledge the **regulatory**, **policy**, and **programmatic inequities** that will be **barriers to inclusive and equitable programs**

REFRAMING A FAMILIAR IMAGE:

$100 incentive

Enhanced Outreach

Multicultural Marketing

Technical Support

Trust Building

Community Engagement

Transcreation

Additional Investment

EQUALITY

EQUITY

How can we do better?

- Acknowledge that **households of color**, specifically Black and Latinx households, may have a **higher energy burden** than non-Hispanic, white households.

- **Collect information by racial categories** to understand the impact of the intersection of race and income, specifically identifying what group(s) are in most need of support.

- **Increase or redistribute funding** and ensure it is going to the communities who need it most.

- Bring the **community into the conversation** and consider co-design tactics to increase equity.

TAKE ACTION

What is the first action you can take when you return to the office to move closer to ensuring equity is prioritized in your programs?
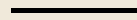
Inclusion is not a **program**. Inclusion is a **mindset**.

It is the way we **treat others** and the way they **treat us**.

Inclusion is the opportunity to
learn together and from **one another**.

And we do it because it is the **right thing to do**. Period.

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Thank you!

—

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ENCOLOR