

## Green Justice Update to the EACC and Utilities

October 6, 2009

Dear EEAC members:

On July 14<sup>th</sup>, 150 representatives of the Green Justice Coalition (GJC) came before you to encourage you to adopt ambitious and equitable 3-year energy efficiency plans. We expressed our strong support for adopting the 3% electric savings and 3% gas savings goals that would allow us to meet the goals of the Green Communities Act and the Global Warming Solutions Act.

GJC offered to partner with the utilities to develop a 'community mobilization outreach model' and a large-scale 'bundled' neighborhood approach to energy efficiency retrofitting. This model would promote higher energy savings through deeper retrofits. If successful, it will also create job opportunities for local residents and businesses. Finally, if done well, this approach will take advantage of economies of scale and bulk purchasing, significantly reduce the level of rebate incentives required, and allow funding to be shifted away from marketing and incentives to audits and retrofits that actually reduce greenhouse gas emissions. (See reverse side for summary of GJC concerns and recommendations).



**The Green Justice Coalition's concerns were affirmed in the EACC Resolution approved July 28<sup>th</sup>. Since then, both the EACC and the Green Justice Coalition have worked hard to implement these recommendations. GJC has:**

1. Talked with thousands of members of our 42 partner organizations, resulting in 2000+ postcards collected throughout the state in support of our recommendations, which were then forwarded to the utility companies;
2. With Councilor Penn Loh, submitted to the EACC proposed edits to the utility plans that reflect the EEAC's Resolution of 7/28/09. Our proposed plan edits address:
  - Piloting of innovative community-based outreach and partnerships with responsible contractors committed to local hiring
  - Supporting job access, training, living wages, and career pathways
  - Experimenting and evaluating new strategies and tactics and new programs
3. Partnered with several utility companies to begin developing pilot projects that reflect our community-driven neighborhood-scale EE model. We recommend that the 3-year plans include a Community-Based Pilot program (with its own budget) that would start with 4-6 projects in the first year and scale up in each subsequent year, implementing the lessons learned and adopting the best practices that emerge. We hope that monitoring and evaluation will be used to keep improving the model and take the best elements of this model to scale. We believe that these community-based initiatives could number 15-20 across the state after 3 years.

**We look forward to hearing a positive response incorporating our concerns in the statewide and individual utility energy efficiency plans.**

## **Key Concerns highlighted in the Green Justice Coalition's July 14<sup>th</sup> Testimony:**

### **Barrier #1: Upfront Costs for Deep Retrofits**

Solution: Financing should make deeper energy efficiency retrofits accessible to all residents and small businesses

- Set up on-bill cost recovery and a state revolving loan fund to eliminate the 'upfront cost' barrier
- Use the LEAN model as a residential baseline and make it cost-effective for most customers to finance it through the on-bill mechanism

### **Barrier #2: A Disconnect with Economically Marginalized Communities**

Solution: A community-driven approach must be part of effectively engaging economically marginalized residents in carrying out retrofits

- Adopt a community mobilization model that partners with organizations with existing relationships with working class communities.
- Target outreach to marginalized communities.
- Address landlord/tenant split incentive issues that could contribute to gentrification.

### **Barrier #3: Jobs are low paying, with inadequate training and safety measures**

Solution: Establish high road jobs with quality, training and safety standards and accessible career pathways

- Leverage state funding and approval to attach job quality and training standards to all contracts with utilities, their contractors and sub-contractors.
- Bundle homes and neighborhoods for large-scale contracts to create more local jobs and attract responsible contractors committed to local hiring.
- Establish a centralized workforce development training system that ensures professional standards, quality controls and is accessible to working class communities.

### **Barrier #4: Community Input and Ownership**

Solution: Set up an Equity subcommittee of the Energy Efficiency Advisory Committee

- Include community members and leaders involved in community mobilization.
- Ensure the subcommittee has the information and resources to monitor utility programs' progress to meet equity as well as climate goals.

### **The EEAC Resolution approved July 28, 2009 incorporated these concerns. It said in part:**

*"...[We] urge the PAs, at a minimum, to pilot particular areas of the state for innovative community outreach efforts that will demonstrate partnerships with communities that can significantly increase participation in the energy efficiency programs."*

*"The plans must include strengthened commitments to make on-bill financing available to customers and make aggressive efforts to tap other sources of money to support or exceed achievement of program goals at lower total cost to ratepayers."*

*"The electric and gas plans, and individual company plans, should commit... to partnering with union-supported training programs that are designed to lead directly to existing jobs in the energy efficiency field. Moreover, the PAs should make transparent the RFP process and rating criteria by which contractors are selected. . .consider whether the interval between sending of RFPs may inhibit new entrants; and also consider whether any bundling of tasks within those RFPs (audit delivery; quality control; monitoring and evaluation; marketing; etc.) and the geographic area the PAs expect bidders to cover may also inhibit new entrants who are well-qualified to perform some, but not all, tasks currently bundled in the RFPs. We also urge the PAs to work with their vendors and contractors to make sure individual workers are provided with a livable wage and fair benefits, and that those workers have the opportunity to move along a career path."*