



# Centering Equity in Energy Efficiency Programs

*2021 Midwest Energy Solutions Conference Breakout:  
The Systemic Problem of Energy Affordability  
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# Fresh Energy

For 28 years, shaping and driving bold policy solutions to achieve equitable carbon-neutral economies.

## Fresh Energy is working to:

- ▶ Decarbonize the electricity sector serving Minnesota
- ▶ Create a carbon-neutral economy through high-impact integrated solutions
- ▶ Ensure an equitable and just energy transition
- ▶ Build a shared commitment to climate action
- ▶ Strengthen public resolve for change



## What do we mean by “equity?”

Equity means: elimination of barriers to full participation in the *process*, and access to the full benefits of the *outcome*.



# Minnesota Multifamily Affordable Housing Energy Network (MMAHEN)



- Purpose: to increase energy efficiency and conservation in multifamily buildings in MN by improving and expanding the use and equitable access of available resources
- Started in July 2014
- 69 members from 41 organizations, including utilities, energy and housing advocates, housing owners and developers, service providers, city and state staff, and renters



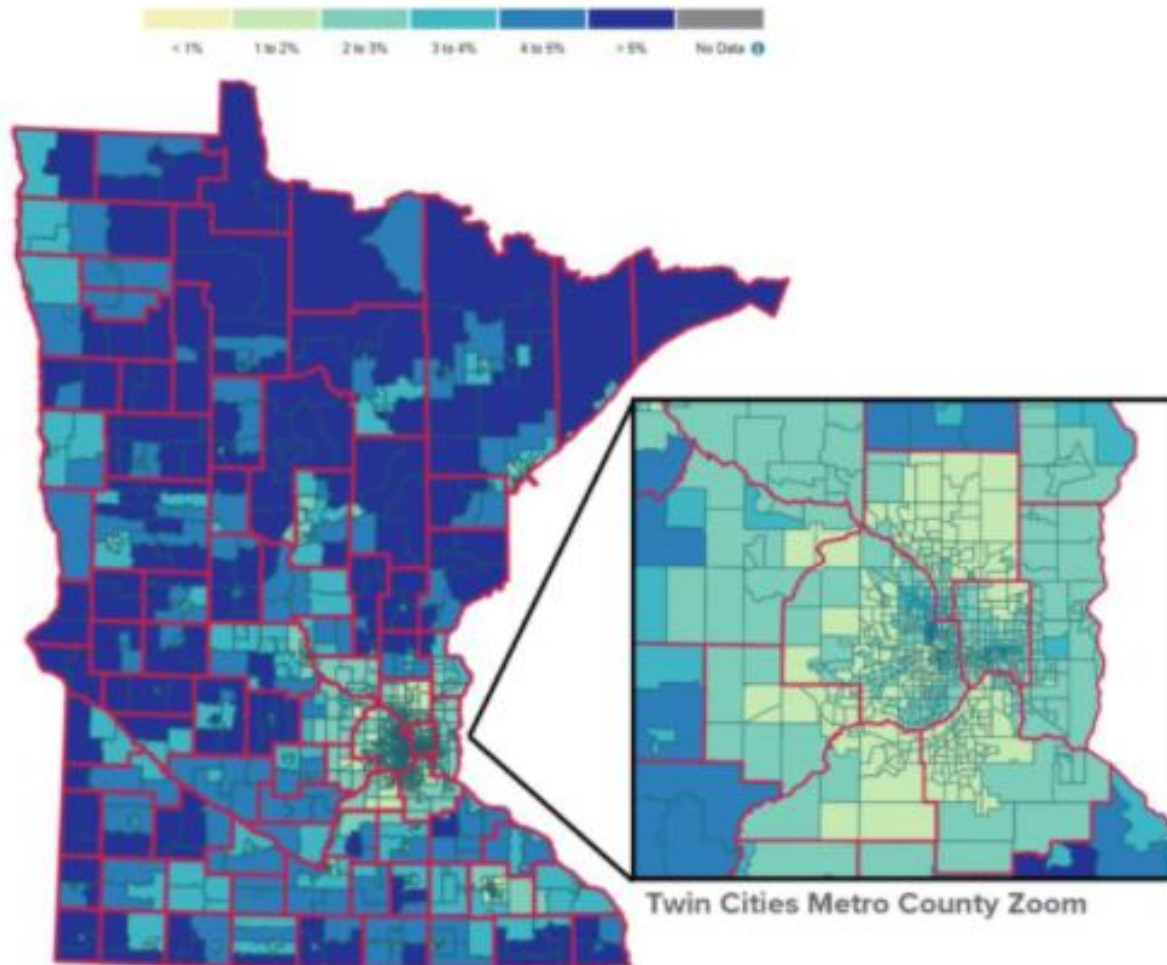


# Benefits of energy efficiency in under-resourced households and multifamily housing

- Reduced energy burden
  - Roughly **44%** of all renters are cost burdened
  - Under-resourced Twin Cities households had median energy burden of **5.11%** vs. 2.32% for non-under-resourced
- Increased **health and comfort**
- Long-term savings
  - Reduced energy/water bills and **lower maintenance costs**



## Average Energy Burden (% income)



- Energy burden: the proportion of household income spent on energy costs
- Under-resourced households, households in Greater Minnesota, and communities of color consistently face **disproportionately higher energy burdens**

Adapted from U.S. Department of Energy Low-Income Energy Affordability Data (LEAD) Tool



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# Expanding access in utility programs

- Xcel Energy and CenterPoint Energy's joint **Multi-Family Building Efficiency Program** launched in 2015
  - **Whole-building “one-stop-shop” program** with a single implementer, historically marketed to building owners
  - Added **Renter's Kits** in 2020
- **All investor-owned utilities proposed increased/expanded energy efficiency programs** serving rental properties and under-resourced customers in the most recent planning cycle
- However, **significant energy efficiency potential remains** in this area



# Encouraging deeper energy efficiency for all



- Proposal filed by Fresh Energy, National Housing Trust, and Natural Resources Defense Council
- **Would reward investor-owned utilities for higher performance** through programs serving under-resourced customers
- Minnesota Public Utilities Commission signaled initial support in Fall 2020; concept is being refined through stakeholder feedback and **will be brought back to the PUC for approval later this year**
- Looking ahead: potential updates to Minnesota's **cost-effectiveness** framework





# Building an inclusive and participatory process

- Engaging **community members and impacted voices**, especially those who are under-resourced, historically marginalized, and renters
- Identify and **address barriers to participation**
- Ensures that **solutions work for everyone**





**Thank you!**

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