National Workshop
Equity in a Clean Energy Economy

August 25th – 26th, 2023

Defining Equity

What does equity in a clean energy economy really mean?

The definition of equity within the context of a clean energy economy has critical implications for the design, implementation, and evaluation of new clean energy programs and policies.

NAACP

".... community ownership and control, local economic development, workers rights, affordability and access"

Sierra Club

".... equity affordability, and access for all members of the community, prioritizing low-income communities, environmental justice communities and communities burdened by the fossil fuel industry"

Department of Energy

".... the inclusion and participation of individuals in underserved communities, such as minorities, women, veterans, and formerly incarcerated persons"

California Energy Commission

".... access to clean energy technologies for low-income customers and disadvantaged communities, clean energy investment in those communities, and community resilience to grid outages and extreme events."

What Does Equity Mean in the Clean Economy?

Equality

The assumption is that **everyone benefits from the same supports.** This is equal treatment.

Equity

Everyone gets the supports they need (this is the concept of "affirmative action"), thus producing equity.

Justice

All 3 can see the game without supports or accommodations because **the cause(s) of the inequity was addressed.** The systemic barrier has been removed.

Source: https://www.mobilizegreen.org/blog/2018/9/30/environmental-equity-vs-environmental-justice-whats-the-difference

Understanding at-risk customers: who are they?

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Income Qualified Individuals

Many segments with diverse needs and interests:
- Chronic poor who simply cannot afford their utility bills
- ALICE: asset limited, income constrained, employed
- Low-income retirees with asset wealth
- Situational poverty, such as recent job loss or medical crisis

Disadvantaged Communities

Identified via demographic/economic indicators, such as:
- Median income or unemployment levels
- Average education attainment
- Percent of population utilizing food assistance programs
- Crime rates

Vulnerable Communities

Prioritized based on criteria set by policy makers:
- Exposure to climate change risks
- Pollution or other environmental screens
- Infrastructure quality assessments

No Clear-Cut Definition of Equity from the ECEE Members

Question 1: How do you personally define "equity" in the context of the clean energy economy?

Themes – Defining Equity

Access/Self-determination

- "Equity is to provide the structures and resources so that peoples most impacted by the clean energy economy are centered at the decision making."

Opportunity

- "Equity is the opportunity for "all" stakeholders and participants to drive equal value, resources, and options on a common basis to meet their specific needs."

Justice

- "Clean Energy equity is the process of bringing about justice in the economic participation in the clean energy system while also rectifying financial, negative community, and well-being burdens on those chronically harmed by the energy system."

Inclusion/Fairness

- "Fair and just; that all customers benefit from the clean energy economy."

Defining Equity – Select Verbatims

"Equity means a real opportunity at access. Equity also means fully understanding the impact of policies and programs upon different populations and customers segments so they are designed in a way with an awareness of unintended consequences and an unintended overbenefit to one population group."

"Ensuring that all communities benefit from investments in a clean energy future. Paying particular attention to communities historically shut out and harmed by past and current policies, and considering means to redress and repair those relationships. Ensuring local agency and control over every aspect of the energy economy, from extraction to generation to transmission & distribution infrastructure and consumption."

"I define equity as an intentional effort to rectify historical disadvantages (redlining, environmental harm, etc.) through both policy efforts and procedural efforts. It is different than "fairness," which may unintentionally support institutional racism and other inequities by attempting to treat everyone the same way. This is personal rather than an agency position, but is reflective of the State of Colorado's equity, diversity, and inclusion policies."

"Beyond the narrow economics conception based on cost allocation to a broader social conception that considers fairness and addresses persistent structural inequity and injustice."
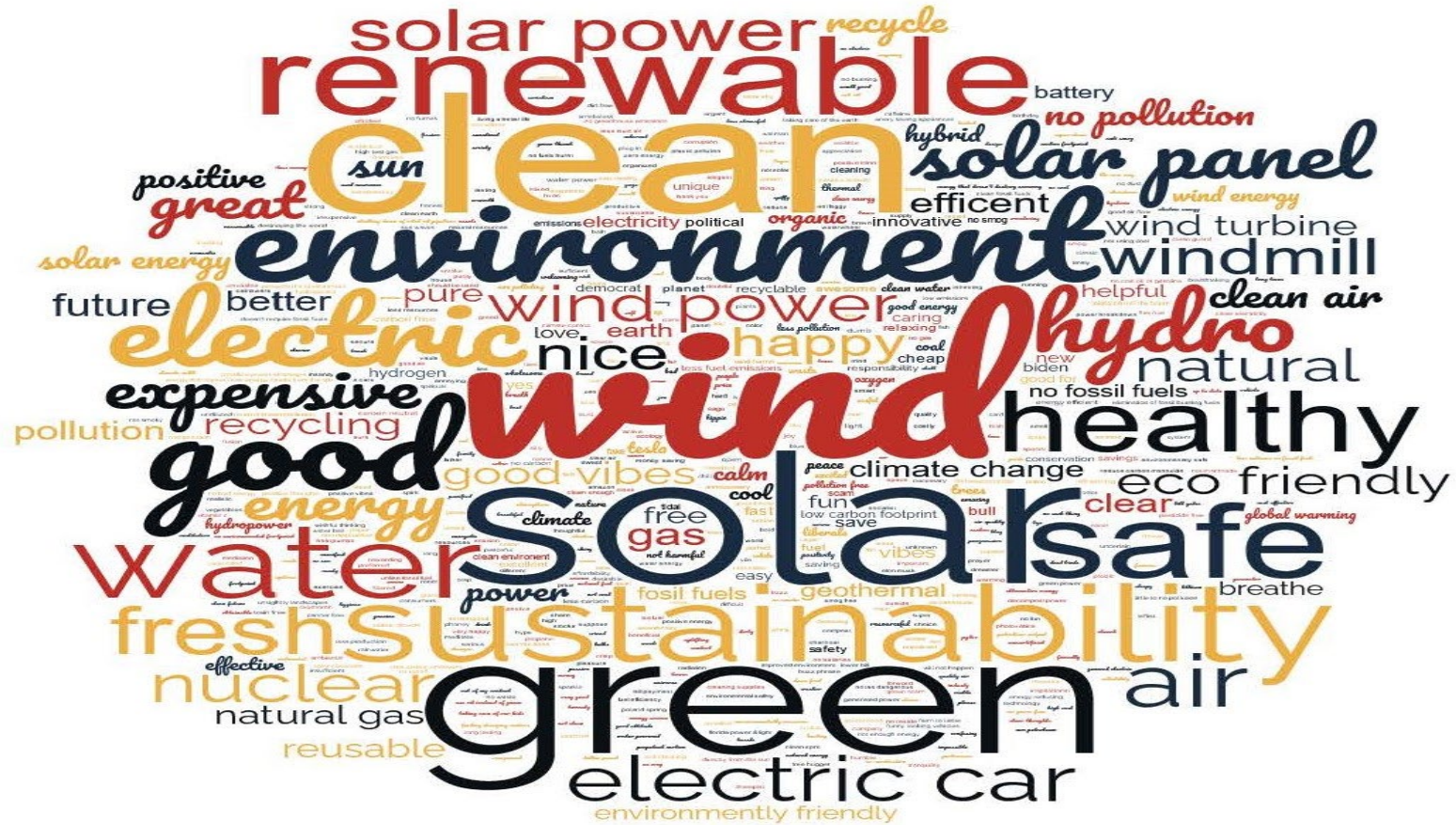
Findings - Defining Equity

➢ Defining equity led to a variety of responses, even within themes

➢ Not all fell neatly into any of the four themes

➢ "Access/Self-determination" was the largest theme, "Opportunity " the smallest

➢ The ambiguity of the word is a challenge itself that will need to resolved

➢ The identified common themes, and any in the future that might be identified, is a good starting point for a common definition of the word

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We asked respondents to respond with three words or phrases that came to mind when they heard "Clean Energy" and "Energy Justice"

Clean Energy

Energy Justice

On balance, "Clean Energy" is more understandable by most people compared to "Energy Justice"

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People Associate the Words "Clean Energy" with Renewable Resources and Electric Technologies

Base: Total Respondents (n=1052) C1. What three words or phrases come to mind when you hear someone say, "clean energy"?

"Energy Justice" Elicited Complex Nuanced Responses

"Fairness" and "Equality" Were Ranked Highest Among Six Words Associated with "Equity"

72% & 70%, respectively, ranked those words 1st, 2nd, or 3rd and older adults are more likely to associate "fairness" with equity
"Restitution" was least associated with equity, but had a significantly higher level of association among those under 55

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		Age			Household Income			
	Total	18-34 -A-	35-54 -B-	55+ -C-	Under $25k -D-	$25k - $49k -E-	$50k - $99k -F-	$100k+ -G-
Total Respondents	(1052)	(317)	(408)	(327)	(288)	(253)	(277)	(195)
	%	%	%	%	%	%	%	%
Fairness	72	62	72 A	84 AB	68	73	72	76
Equality	70	72	67	71	71	72	68	71
Justice	53	57	51	51	53	53	54	49
Integrity	44	46	45	41	44	37	53 DE	45
Reasonableness	40	37	42	42	42	42	36	39
Restitution	20	26 C	24 C	10	21	23	17	20

C3. Please rank the following six words on how much you associate each with the word "equity," from the one you most associate with "equity" at the top, to the one you least associate with "equity" at the bottom. (Rank the words 1 to 6. Top 3 displayed here.)

"Truth" and "Honesty" Were Ranked Highest Among Seven Words Association with "Justice"

57% & 50%, respectively, ranked those words 1st, 2nd, or 3rd
Those under age 55 and lower-income adults indicated a significantly higher association of the word "authority" with justice

	Total	Age			Household Income			
		18-34 -A-	35-54 -B-	55+ -C-	Under $25k -D-	$25k - $49k -E-	$50k - $99k -F-	$100k+ -G-
Total Respondents	(1052)	(317)	(408)	(327)	(288)	(253)	(277)	(195)
	%	%	%	%	%	%	%	%
Truth	57	60	53	60	63 F	55	53	58
Honesty	50	49	49	54	50	51	47	52
Right	48	52	46	44	46	49	47	48
Law	47	45	48	48	47	47	51 G	41
Due Process	39	32	42 A	43 A	35	37	43	42
Integrity	36	37	35	36	34	32	37	42 E
Authority	23	24 C	28 C	16	26 G	29 G	22	16

C4. Next please rank the following seven words on how much you associate each with the word "justice", from the one you most associate with "justice" at the top, to the one you least associate with "justice" at the bottom. (Rank the words 1 to 7. Top 3 displayed here.)

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Top 1ˢᵗ/2ⁿᵈ/3ʳᵈ Summary

	Total	Racial Subgroups			Ethnic Subgroups		Type of Community		
		Caucasian -H-	African American -I-	Other -J-	Hispanic -K-	Not Hispanic -L-	Urban -M-	Suburban -N-	Rural -O-
Total Respondents	(1052)	(746)	(157)	(102)	(163)	(881)	(306)	(506)	(240)
	%	%	%	%	%	%	%	%	%
Fairness	72	73	68	75	69	73	65	77 ᴹ	70
Equality	70	69	72	69	77	69	71	69	70
Justice	53	51	56	61	55	53	59 ᴺᴼ	51	50
Integrity	44	44	44	39	45	44	48	42	45
Reasonableness	40	43 ᴵ	34	33	33	41	36	41	45
Restitution	20	19	26	23	21	20	21	20	20

C3. Please rank the following six words on how much you associate each with the word "equity," from the one you most associate with "equity" at the top, to the one you least associate with "equity" at the bottom. (Rank the words 1 to 6. Top 3 displayed here.)

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The Words Americans Prefer to Discuss Energy Programs

Strong preferences for "stable" vs. "predictable," "clean" vs. both "green" and "renewable," "climate change" vs. "global warming," "manage" vs. "control," and "community" vs. "local"

			Age	
	Total	18-34 -A-	35-54 -B-	55+ -C-
Total Respondents	(1018)	(317)	(408)	(327)
	%	%	%	%
Equity	25	27	23	25
Justice	29	34 c	30 c	23
Clean	34	36	33	34
Renewable	26	28	23	28
Green	22	27 c	22	17
Clean	39	38	37	44
Stable	41	41	41	41
Predictable	14	14	15	12
Infrastructure	25	20	26	28 A
Investment	34	39 c	33	30

			Age	
	Total	18-34 -A-	35-54 -B-	55+ -C-
Total Respondents	(1052)	(317)	(408)	(327)
	%	%	%	%
Local	24	22	24	26
Community	34	36	36	31
Compassionate	26	25	27	25
Caring	28	30	27	28
Discount	25	28	25	22
Incentive	32	29	34	33
Sustainable	29	31	30	26
Renewable	31	29	31	33
Control	23	26 c	24	19
Manage	34	35	32	36
Climate Change	36	35	37	37
Global Warming	19	23 c	18	16

C5. Please indicate which word you would be most comfortable using and understanding in the discussion of energy programs by selecting the box between each set of words that most closely indicates your level of comfort and understanding in using that word. The more comfortable you would be with a specific word, the closer the box you select should be to that option. (Scale in a range of 1-7. Top 2 displayed here.)

Day 1: Breakout Session Instructions

1. Introduce yourself to your group
2. Decide who will be your group's reporter
   - Reporter Objectives
     1. Take discussion notes
     2. Report key takeaways to the general audience in 1-2 minutes
3. Discuss questions

Questions

1. What is your equity experience?
2. What is your definition of equity/what does it mean to you?
3. What are the top principles that should be considered under equity (affordability, assets, community buy-in, etc.)?

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DEFG, An E Source Company, is a customer insights and advisory firm in the utility space. Through collaborative research, data analysis and peer-to-peer networking, we help our clients achieve ways to better serve their customers.