

# Evolving CAEECC Working Group Reflections

The [Evolving CAEECC Working Group](#) (ECWG) was initially tasked to develop recommendations to better align an evolved CAEECC to the changes in the energy efficiency regulatory proceeding ([R.13-11-005](#)) and to justice, diversity, equity, and inclusion.

Instead of hosting the Working Group at CAEECC, ECWG Members were invited to submit reflections to be put directly on the CPUC record.

**The following document contains the six submissions from the following people and linked as a table of contents:**

- **[Group Submission](#)**: Aislyn Colgan (Individual), Alice Sung (Individual), Amaury Berteaud (Association of Monterey Bay Area Governments), Charles Reed (Individual), Jan Maes (Nevada County Energy Action Plan Committee), Jason Minsky (Association of California Community & Energy Services), Kate Woodford (Center for Accessible Technology), Nicole Milner (Individual), Spencer Lipp (Individual), Sumire Gant (Gateway Cities Council of Governments), and Tanisha-Jean Martin (San Diego Urban Sustainability Coalition)
- In relation to the group submission:
  - [Tanisha-Jean Martin](#) (San Diego Urban Sustainability Coalition)
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- [Lara Ettenson](#) (NRDC)
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# Evolving CAEECC Working Group Self-Facilitated Collective Reflections

## **Key Takeaways**

### **Composition and Process Recommendations:**

- Bring Communities of Concern into an “Evolved” CAEECC membership to provide vital equity expertise. Compensation for equity voices is critical to these efforts.
- Create a new Equity Advisory Body to develop equity best practices

### **Equity and Social Justice (ESJ) Best Practices Recommendations:**

- Co-create equity best practices for portfolio and program design as well as program implementation.
- Strengthen the ability of equity-focused groups and Community-Based Organizations (CBOs) to advance Energy Efficiency engagement in Communities of Concern
- Break down silos and strengthen collaboration with existing equity-focused advisory bodies to share and align best practices
- Consider several policy changes to spur equitable participation in energy efficiency programs

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## **April 2024**

**Note:** Throughout the document, we will use the term **Equity** to encompass **JEDI** (Justice, Equity, Diversity, Inclusion), **ESJ** (Environmental Social Justice), etc. **Communities of Concern**, **equity customers**, and **ESJ Communities** are used interchangeably to refer to communities or customers defined as **Hard to Reach**, **Disadvantaged**, **low-income**, or **historically marginalized**. Definitions of **ESJ Communities** and **Communities of Concern** are included in **Appendix A**.

## Background

This document presents the written reflection of a self-facilitated subgroup of 11 members of the Evolving CAEECC Working Group (ECWG) members who have been meeting regularly to leverage diverse experiences and perspectives to create meaningful recommendations to serve the ECWG objective. This sub-group is predominantly composed of ECWG members not traditionally represented at CAEECC, some of whom are participating in the Compensation Pilot program. We are a diverse mix of community activists, engaged in environmental and social justice movements, disability justice work, local government staff, and practitioners in the energy efficiency field with a wide range of both technical expertise and lived experience.

This is an attempt by stakeholders who are deeply committed to serving their communities to present a pathway to positive change towards equity, and environmental and social justice. Of over 30 original ECWG members, only the contributing authors listed below participated in the collaborative process through which this document was created over 3-4 short months. We chose to fulfill our commitment to this work *together* because we recognize that a diverse group of perspectives is needed to begin to identify recommendations that will effectively address Justice, Equity, Inclusion, and Diversity issues in CAEECC and **evolve CAEECC to advance the Commission's commitment to Environmental and Social Justice** as articulated through the CPUC Environmental and Social Justice Action Plan v 2.0 ( CPUC ESJ Action Plan). We fully recognize that though we bring a diversity of wisdom to these recommendations, there are still many knowledgeable voices left out of this process and a primary goal is to bring more of those voices to the table to share other model solutions, institutionalizing practices that support ongoing equitable access, full participation, and ensure benefits of energy efficiency to all.

We believe our ideals and recommendations are not unreasonable or unrealistic, they are just new territory. We look forward to building a future where embracing, supporting, and centering Equity is the bedrock foundation for all energy efficiency programs.

## Executive Summary

California's many, diverse and unique people, environmental and social justice communities, emerging and small businesses, hard-to-reach customers, and the public sector, deserve to have holistic Energy Efficiency programs that competently and equitably address their energy needs. We make these recommendations because we believe it is critical not only to address the composition and processes of groups working on issues of equity and social justice to introduce, fully resource, and center voices from Communities of Concern, it is also essential to ensure that such a group is given clear authority to guide and/ implement the reforms necessary to enact change. The very specific recommendations highlighted in this document reflect what this group believes is needed at this juncture for positive change to occur. As an Evolved CAEECC grows and a more diverse stakeholder group fully engages in this energy equity work, we fully believe all California ratepayers will be better served.

This document begins with our **North Star** which acts as a reference and inspiration to guide more immediate recommendations. Our North Star envisions an energy democracy that centers community-led solutions using participatory budgeting and program design processes accountable to Communities of Concern, and values multi-level program benefits which include decarbonization, social justice, health equity, quality of life, and other non-energy benefits.

Our **Problem Statement** identifies a lack of stakeholder participation in decision-making processes and equitable portfolio/program design and implementation, and key policy impediments that act as barriers to the alignment of the market rate energy efficiency programs with the CPUC ESJ Action Plan.

We then make **Recommendations** that are aligned with the CAEECC Composition Diversity, Equity, and Inclusion (CDEI) working group prospectus, organized using three time frames, immediate, short-term, and long-term, and built upon one another to provide a manageable roadmap of the critical steps that are needed to solidify equity as the center of all Energy Efficiency programs (Market-Rate and Low-Income), with an eye to our North Star. We begin with a recommendation to **Evolve CAEECC** by first keeping the community at the table and opening up interim compensated CAEECC membership to equity-focused stakeholders. These interim CAEECC members would then collaborate with existing CAEECC members to create ongoing compensated equity membership seats on CAEECC as well as update meeting structure and composition guidelines to ensure an environment that centers equity and fosters balanced and effective collaboration through challenges. We also recommend the **creation of an Equity Advisory Body** that would be a CAEECC committee (Equity Advisory Committee – EAC) in the short term and an independent Equity Advisory Board (EAB) in the long term. The scope of this equity body would evolve, beginning by providing program and portfolio equity best practices guidance and initiating outreach and collaboration processes and, over time, grow to provide policy recommendations and implement collaboration across a broader swath of energy programs including programs funded by the CPUC and California Energy Commission (CEC).

Our third block of recommendations dives a little deeper into **Environmental and Social Justice Best Practices**; steps that could be completed by an equity-focused advisory body (EAC or EAB), and should be more fully explored once our immediate recommendations have been implemented. These recommendations address equitable development of the energy efficiency sector with external education outreach as well as increasing internal education and collaboration within related energy efficiency programs. These recommendations also address broader community stakeholder involvement in identifying, designing, tracking, and evaluating equity outcomes as well as short-term policy changes to spur equitable participation and a request for a clear pathway for ESJ best practices to become policy recommendations.

This work could not have been completed without the creation of a Compensation Pilot. The ECWG process brought a diversity of community voices to provide their unique perspectives for a process of 3-4 months. The lessons learned are too many to express herein; however, we encourage CPUC and CAEECC readers to leverage the combined expertise of this Independent Collective in continuing to move forward together.

## **North Star / Vision**

We are choosing to outline our vision for a path with an empowering, inclusive, transformative, democratic, community-driven, decision-making process that centers equity, environmental and social justice. This shared process and intention serves as our North Star. We hope to continue to align with as we provide a series of much smaller system changes as stepping stones toward this goal. We recognize that we won't know the complete path to reach our vision until more historically marginalized community members and those with hard-won expertise working for equity in the energy space can join the conversation. We know that current systemic bias, along with political and economic pressures make much of this vision seem entirely unobtainable. We also know that infusing Equity and ESJ into energy efficiency programs requires deep thought, and a willingness to enact change. To achieve equity it is time to reconsider existing meeting formats and the current short-term working group paradigm.

We envision evolving from a market-based, cost-effectiveness-driven system to a distributive, equity-based, democratic energy system driven by collaborative solutions for equitable, affordable, and shared resource use. This new model's approach is committed to centering human values such as public health, economic and racial equity, and climate justice. We

envision an energy grid that is available to equitably distribute clean, affordable, and reliable energy to all while coordinating with and serving as a backup to climate-resilient community-owned, and self-generated, distributed renewable energy resources and microgrids.

We envision a future where the distribution and use of funds are decided upon via a participatory budgeting process that creatively leverages existing community systems to allow broad public input into identifying budget priorities and ideal program models. We refer to this framework as an energy democracy, in which the community members will participate directly in decisions about how ratepayer dollars are spent in their communities. This approach cements an equity framework into the foundation energy infrastructure and builds public engagement with all aspects of the electrical grid which is increasingly vital to a climate-resilient grid.

As we anticipate a wide-scale grid transition to accommodate the complex energy needs in the face of climate change, we envision a holistic equity-centered program design framework that would be applicable across the entire energy landscape including all Energy Efficiency (EE), Integrated Demand Side Management (IDSM), Distributed Energy Resources (DER), and decarbonization programs. Centering equity using a Targeted Universalism goal-setting framework, as defined in Appendix A, allows versatile and adaptable approaches tailored to the specific needs of different historically disinvested groups. For example, some communities may require a significantly deeper investment of time and resources to reach a universal goal that is more readily attainable, or already extant amongst other groups. Equity, in this case, does not mean everyone is provided with the exact same resources but instead, all are provided with varying levels of support needed to achieve the universal goal.

Narrowing this vision to its application to the market-rate energy efficiency proceeding, a wide-scale redesign of the energy efficiency portfolio process would be required to invest resources and transform policies, structures, and portfolios to incorporate a holistic equity-centered program design approach that ensures the full diversity of California's communities can access reliable, trusted, and culturally appropriate energy efficiency services. This will lead to strengthened economic stability, reduced energy burdens, increased workforce development, equitable employment in the clean energy sector, and better community health.

The expected outcomes of our vision for the Market Rate EE portfolio are an open and transparent decision-making structure led by a collaborative coalition of stakeholders centering the voices of Communities of Concern. Changes from the policy level down increase collaboration across silos and lead to the development of an equity advisory body to coordinate and oversee activities that support the industry to continuously adjust to more effectively implement the CPUC's ESJ Action Plan. A reinvestment in equity infrastructure and support services reduces barriers to accessing EE program implementation contracts for smaller more nimble equity-focused groups and CBOs with lasting community relationships and outreach capacity. This investment of energy efficiency program funds in workforce development, training, and support services provides a multi-level community benefit that uplifts an array of holistic equity-centered benefits. CBOs, in partnership with local governments, and Portfolio Administrators (PAs) more effectively provide equity-centered Energy Efficiency programs across all segments, especially hard-to-reach, historically disinvested, and marginalized communities. Representatives from Communities of Concern will blossom to lead the energy transition, and communities will be uplifted through the creation of High Road Jobs, empowering the ESJ communities to participate and benefit from a fully decarbonized future.

We look toward this North Star as the vision that must be realized to equitably meet California's climate and energy goals, and equip communities with the tools they need for fully participating in the transition to a green economy. The realization of our shared vision of an energy democracy will also lead to community resilience and climate justice.

## **Problem Statement**

### **Issue 1: Lack of Stakeholder Participation in Decision-Making**

The voices of Communities of Concern are necessary for successfully delivering energy efficiency programs in their communities. These key stakeholders have historically been unable to participate in CAEECC discussions and decision-making. Additionally, expert input from Communities of Concern is required to strengthen and support the recent steps taken to build equity in the EE portfolio including the creation of the Equity Segment, the introduction of the Total System Benefit (TSB) metric, the identification of non-energy benefits, and the significant commitments to equity being made by the Regional Energy Networks (REN).

### **Issue 2: Lack of Stakeholder Participation in Equitable Portfolio and Program Design and Implementation**

Communities of Concern, and implementers tasked with reaching Communities of Concern have program ideas and solutions to improving and increasing community engagement in the market rate energy efficiency space that could help PAs meet their goals but these ideas are not fully reaching those creating business plans and designing programs. This is a critical missing link in adequately serving Communities of Concern. Implementers need to meet their program objectives, and often the only pathway to achieve these objectives is deprioritizing equity. The ability to leverage the expertise of on-the-ground organizations based in the communities they serve is a critical issue that needs to be resolved to design a functional community-centered portfolio of programs. This is especially true since community members in Communities of Concern have highly relevant information and solutions to increase program engagement but currently have no clear avenue to participate in program design and small businesses face significant barriers to gaining implementation contracts.

### **Issue 3: Policy Impediments**

Unfortunately, program design and implementation are impaired by policy-level constraints and many other barriers that make ESJ outcomes difficult to implement in market-rate EE programs. The constraints of Total Resource Cost (TRC) and cost-effectiveness especially, as well as additional barriers, constraints, and siloing effects significantly impact the ability of programs to operate in and equitably benefit Communities of Concern. The ability of an advisory body to provide policy recommendations to the CPUC is a critical issue that must be resolved to better align the portfolio of market-rate energy efficiency programs with the CPUC's ESJ Action Plan.

## **Recommendations**

These recommendations are aimed at ensuring that the composition and processes of CAEECC, are properly balanced, fully accessible, and inclusive, and allow the work to move forward equitably. At every step of the way structures and processes must address latent, implicit, and explicit inequities so that no singular type of role or perspective's voice(s) will dominate over another. We expect and invite new equity voices to alter these recommendations and update them as future needs and evidence dictate. We fully believe that the mindful, open, and brave dialogs that result from this composition will lead to a community-led learning process that will open minds and hearts to meaningful change and dynamic progress.

### **Recommendation 1: Update CAEECC composition and processes to Evolve CAEECC**

#### **1.1 Immediate recommendation: Keep the community at the table:**

- Create a model to provide equity-focused CBOs and stakeholders representing Communities of Concern equitable and adequate compensation for participation in

CAEECC and its working groups. The creation of this model would build on the success of the ECWG Compensation Pilot and rely on participant feedback to make improvements.

- Amend the CAEECC Membership process to provide compensated interim CAEECC Membership to several ECWG Compensation Pilot participants and ECWG members with equity and ESJ backgrounds. This is critical because we need continuity of representation by community representatives to ensure knowledge is not lost. These new interim ESJ Centered CAEECC members lead, and develop in collaboration with existing members the following:
  - Collaboratively identifying meeting facilitation strategies to ensure a welcoming environment for all participants
  - Outreach and networking with CBOs and stakeholders from Communities of Concern with equity and EE expertise, as well as other related CPUC bodies, to inform future ESJ alignment activities within CAEECC
  - Establishing expertise criteria to aid in outreach and approval of future structure for Compensated ESJ Centered CAEECC Members
  - Further codify the processes for ensuring the equitable participation of ESJ experts in EE and related proceedings (eg. identify term limits, accountability measures, and conflict of interest management policies)
  - Organize ongoing trainings for new interim ESJ-centered CAEECC members, CBOs, and stakeholders from Communities of Concern to transfer their gained EE knowledge thereby increasing the new members' knowledge and technical understanding of the energy system to enable more effective participation in Evolved CAEECC as well as CPUC proceedings.

## **1.2 Short-term recommendation: Evolved CAEECC composition**

- We recommend that the CAEECC engage in a process of diversifying membership to reach a balanced composition, distributed proportionally from the groups below. We refer to this new composition as the Evolved CAEECC.
  - Portfolio Administrators
  - Implementers
  - Equity-centered CBOs and stakeholders from Communities of Concern representing the diversity of California's population.
  - Public sector and Nonprofit organizations ( i.e. Local Government Sustainable Energy Coalition (LGSEC), Natural Resources Defense Council, etc.).
- A deep stakeholder engagement process that uplifts the voices of Communities of Concern should be convened to determine the equitable proportion of Evolved CAEECC membership from each category and the total number of members.
- Evolved CAEECC should add dedicated ESJ-focused CPUC staff, a Disadvantaged Communities Advisory Group (DACAG), and a Low Income Oversight Board (LIOB) representative as ex-officio members, as well as set up guidelines for adding new ex-officio members for other relevant equity-focused bodies.
- Evolved CAEECC should engage in a biennial process of reviewing the composition of Evolved CAEECC to ensure participation from underrepresented stakeholder groups (i.e. equity-focused stakeholders, 3rd party implementers, and outreach workers.). This forum will also be used to resolve any conflict of interest from the Evolved CAEECC members.

### **1.3 Short-term recommendation: Evolved meeting structure**

- The Evolved CAEECC comment and participation process for non-Evolved CAEECC members should be updated to ensure public stakeholders can engage in a more meaningful way.
- Ensure meeting procedures allow:
  - Public participation at each meeting,
  - Short announcements from Evolved CAEECC and non-CAEECC members by request
  - Public comments on agenda items
  - Fully hybrid meeting options
- Evolved CAEECC should consider having language interpretation services and accommodations for hearing-impaired and vision-impaired participants to reduce participation barriers.

## **Recommendation 2: Creation of an equity advisory body**

### **2.1 Short-term recommendation: Evolved CAEECC Equity Advisory Committee (EAC)**

- A compensated EAC composed of both Evolved CAEECC and non-CAEECC members from Communities of Concern should be created to provide guidance and recommendations on EE Portfolio policies, programs, and implementation. The EAC would:
  - Work closely with Evolved CAEECC membership and key stakeholders to provide guidance on ESJ and JEDI principles.
  - Develop equity best practices for PAs and program implementers to focus on.
  - Leverage the work of the interim ESJ-Centered Evolved CAEECC members (established through recommendation 1.1) to promote an equity-centered meeting facilitation process.
  - Serve as a liaison between Evolved CAEECC and other equity-focused initiatives (LIOB, DACAG, etc.) to bring more collaboration between energy programs.

### **2.2 Long-term recommendation: independent Equity Advisory Board (EAB)**

- Through a decision in the regulatory process, the CPUC commissioners create an independent Equity Advisory Board (EAB), which would be fully compensated, composed of Communities of Concern representatives, and tasked with addressing issues of equity across the portfolio of energy efficiency programs. The EAB would implement the actions highlighted as part of recommendation 3, such as:
  - Provide detailed recommendations on how to address equity issues in policy, program design, and implementation, as well as help create and analyze best practices PAs and implementers should focus on.
  - The EAB will leverage its networks within the community to spread awareness about the CPUC and program offerings rendered through the EE world.
  - The EAB will make policy recommendations to propose policy solutions that would increase the ability of Communities of Concern to participate in energy efficiency programs. (e.g., white papers, proceeding comments.)
  - The EAB will interface closely with Evolved CAEECC and liaise with other equity-focused bodies (e.g. LIOB, DACAG.)



## **Recommendation 3: Environmental and social justice best practices**

### **3.1 Immediate Recommendation: EE sector development, education and outreach**

- Evolved CAEECC, EAC, or EAB will work in collaboration with CBOs, Communities of Concern, and/or other trained/professional intermediaries to
  - Develop outreach materials and trainings to support the partnership between traditional EE implementers, Women as well as Black Indigenous and People of Color (BIPOC) owned businesses, and other CBOs in order to improve EE program engagement with Communities of Concern.
  - Identify current barriers (eg. reimbursement-based contracts, multi-year financial statement requirements) to accessing implementation contracts and craft recommendations to Evolved CAEECC and the CPUC that will support the development of a broad base of equity-oriented EE program implementers.
- Organize training and sharing of experiences among IOUs, RENS, CCAs, and other existing implementers on equity-focused energy programming practices and standards.

### **3.2. Immediate recommendation: Increase internal collaboration to breakdown ESJ, equity, & energy efficiency silos**

- Support representatives from Evolved CAEECC, the EAC, or the EAB attend the meetings of existing equity-focused bodies such as DACAG or LIOB.
- Support Evolved CAEECC, the EAC, or the EAB to coordinate design, and implement learning opportunities between market-rate energy efficiency programs and other energy efficiency programs, such as the Energy Savings Assistance Program (ESAP), to leverage technical expertise that exists outside of the traditional market-rate EE landscape.

### **3.3. Short-term Recommendation: Develop best practices for designing, implementing, and evaluating energy efficiency programs in alignment with ESJ goals.**

- Create holistic, equity-centered, EE program design and implementation best practices using an inclusive stakeholder process with participation from ESJ communities (possibly members of an Evolved CAEECC, EAC, or an independent EAB) and EE program implementers (outreach workers, CBOs representatives, etc.) The process to design best practices includes a transparent and inclusive stakeholder process to:
  - Evaluate existing needs assessments, program design, incentivization, and implementation challenges,
  - Include non-energy benefits as part of critical outcomes and criteria framework used to design EE programs that seek to serve Communities of Concern.
  - Review and strengthen the recommendations of the Equity and Markets Working Group to identify equity indicators and develop meaningful criteria to evaluate equitable implementation of best practices and transparently measure progress in providing benefits to HTR and Communities of Concern in relation to all.
  - Create an ongoing resource of best practices for community engagement, needs assessment, program design, procurement, implementation, and evaluation of energy efficiency programs, that address the needs of ESJ communities.

### **3.4. Short-term recommendation: Implementation of best practices for designing and implementing equity programs to ensure alignment with ESJ goals is tracked and transparently reported**

- Evolved CAEECC, EAC, or EAB works with PAs to ensure the implementation of equity segment programs follows equity best practices and achieves the equity targets in the PA business plans. This includes:
  - Working with PAs to monitor how program design and implementation are being conducted and whether the best practices are being followed.
  - Guiding PAs on how to better align with the equity best practices and create programs that serve the needs of local communities.
  - Create an annual report where details of all equity programs across all three segments (RA, MS, and Equity) are highlighted. The report would highlight details such as program cost, participation, inclusion of workforce development, community outreach/engagement components, benefits to Communities of Concern, and other equity indicators and metrics to be determined.
  - Transparent public reporting of approved funding and actual expenditures by program and by PA, highlighting partnerships with subcontractors and partners focused on equitably serving Communities of Concern.
  - Make current program details easily accessible by creating an interactive online dashboard where details of program participation within Communities of Concerns across all three segments (RA, MS, and Equity) can be found, cross-referenced, and easily interpreted.
  - Highlight successes in program participation, and the inclusion of holistic equity-centered program design including improved housing and comfort, reduced energy burden, increased economic opportunity and stability, equitable workforce development and employment, strengthened community health, and resiliency, and allowing for continued identification of best practices as well as program collaboration.

### **3.5 Short-term Recommendation: CPUC modification of current policy to spur equitable participation.**

We make these short-term policy recommendations, which CPUC Staff could implement through the DEER resolution or other Commission Decision, because given rising energy burdens there is an urgent need for ESJ communities to access the energy efficiency resources.

- Eliminate the inclusion of cost-effectiveness for HTR, disadvantaged, and underserved customers in RA programs. Equity projects from Resource Acquisition programs impact portfolio cost effectiveness but those same projects if served by Equity programs do not. Thus, the same project will impact cost-effectiveness depending on which program is claiming savings. This deters RA programs from targeting equity customers.
- Simplify the hard-to-reach (HTR) definition to only use regional criteria to determine an HTR designation and other means of simplifying “eligibility”. The current HTR definition includes location (EnviroScreen and/or rural), language, income, and multi-family and mobile home tenants. For non-residential, location, language, business size, and leasing facilities are the criteria. These definitions serve as barriers leaving a multitude of traditionally underserved customers not qualified as HTR. Consider adding the following geographic criteria to the definition of HTR:

- For urban areas, use CBOs familiar with specific communities and other barriers to energy efficiency to create localized HTR criteria.
- For rural areas, use population density to determine HTR for the residential sector.
- Establish a 1 Net-to-gross (NTG) for the Equity segment due to little or no uptake similar to fuel substitution (D.19-08-009). NTG is a ratio between 0 and 1 that defines the amount of “gross” grid savings claimed as “net” savings. HTR projects under a direct install (DI) delivery receive a higher (0.85) NTG factor than other delivery channels but no other type of delivery receives a higher NTG from serving HTR. Thus, the majority of projects receive the same NTG regardless of customer type, leaving HTR customers behind.

### **3.6 Long-term Recommendation: Provide a clear pathway for ESJ Best Practices to easily become policy.**

- Provide the ability to an Evolved CAEECC, EAC, or EAB, to make policy recommendations to improve Equity outcomes. Policy recommendations could include:
  - Turning best practices created as part of recommendation 3.3 above into mandatory implementation benchmarks, with clear, measurable metrics.
  - Setting a *minimum* budget percentage for Equity and Market Support instead of a maximum and determining appropriate funding levels. Minimum Equity spending should be set at least at 40% in alignment with the Federal Government’s Justice 40 Initiative, and at the largest possible level within constraints imposed by the current proceeding
  - Policy recommendations for reducing participation barriers for small businesses, especially targeting those belonging to Communities of Concern, to implement rate-payer-funded energy efficiency programs. (e.g. complex procurement processes, onerous flow-down provisions, contract payment terms as reimbursement, limited subcontracts as opposed to Prime, etc.)
  - Policy recommendations to support inclusive community-led solutions to meet CA state goals for Energy & Climate, Health in All Policies, CPUC Environmental and Social Justice Action plan, and other coordinated equity-focused multi-state agency efforts and strategic plans in alignment with federal Justice40 benefits.

## **Conclusion**

The primary mechanism for centering Equity and attaining CPUC ESJ Action Plan goals is ensuring meaningful engagement and decision-making from Communities of Concern. The Compensation Pilot demonstrated that community members are willing and able to provide vital input into complex energy efficiency policies, resource allocation, program design, and implementation in alignment with the CPUC ESJ. The pilot additionally showed that adequate resourcing, onboarding support, investment of time, and commensurate compensation is essential to allow community members and experts in the Equity field a seat at the table and achieve meaningful engagement.

Over the past 6 months, our core dedicated group of passionate stakeholders has undertaken a deep and complicated learning journey. We were and are committed to the work of bringing market-rate energy efficiency programs in alignment with JEDI principles, and the CPUC’s ESJ action plan. We want to continue collaborating with CAEECC and are fully open to continuing this work through interim membership of CAEECC, followed by the creation of an Equity Advisory Committee and then a long-term independent Board. We have spent hours learning and immersing ourselves in the EE world and hope that this document reflects positively on the passion and intention each of us brings to the table.

Through this document, we hope to have laid out our vision of a future where energy efficiency programs play a deep role in addressing the intersectional issues of energy, financial, and environmental equity in coordination with other merging and emerging movements within a democratic, fair, and just governance system. We also hope that this document helps stakeholders embark with us on this journey to equity, evolving CAEECC, creating an equity advisory body, and doing the deep work of creating ESJ best practices as well as implementing them. Through this journey, we hope that a targeted universalism framework emerges and that communities of concern fully reap the benefits of energy efficiency and the decarbonization of our economy.

Through this written reflection process, we have also identified many areas of interest that we were unable to fully address: how to sustainably reduce barriers to participation from stakeholders representing Communities of Concern, how to design workforce development programs to unlock high-road jobs for underserved community members, and how to reduce barriers to small businesses located in Communities of Concern in accessing EE Implementation. Though this group did not have the time to address these topics, we wanted to make note of them as areas of focus for the Evolved CAEECC, EAC, or EAB to consider addressing.

Finally, we would like to acknowledge the work of the CAEECC CDEI and Compensation Working Groups and note that this community-centered collaborative document would not have been possible without the Compensation Pilot that these working groups enabled. We would like to thank CAEECC Co-chairs, Lara and Lujana, for believing in this process and providing us the opportunity to unite our voices in this hopeful beginning of challenging work ahead.

## Appendix A: Definitions

### **Communities of Concern**

“Community of Concern” means a community that has been historically denied sufficient resources so that there is a concern about the overall quality of life for the residents of that community. A Community of Concern is normally geographically identified by data collection. It includes communities defined as “Disadvantaged Communities” by the CPUC Environmental and Social Justice Action Plan.

Adapted from Facilitator Synthesis

### **Energy Democracy**

Energy Democracy is a multi-faceted concept that envisions a transition from a fossil-fuel profit-based economy/energy system to an environmentally regenerative economy based on a resilient system of clean, renewable energy generation-delivery/distribution-use that centers the voices of frontline communities in a just, democratically planned-designed, governed and developed energy system. Such a new energy system model is founded on 4 principles: Universal access and Social justice, Renewable, sustainable, and local energy, Public and social ownership, and Fair pay and Creation of Green Jobs. Such a system of energy democracy is governed for, by, and with the people (not by, utilities, shareholders, or corporations,) in service of providing affordable (without burden), equitable, resilient, and distributed local clean energy resources for the benefit of the health, safety, and wellness of all people while providing green jobs and economic livelihood, especially to those most impacted.

(A. Sung) For more info see: <https://emeraldcities.org/our-work/energy-democracy/> and the book Energy Democracy, by Al Weinrub and Denise Fairchild

### **Energy Equity**

Energy equity recognizes the historical and cumulative burdens of the energy system borne by frontline and low-income communities and by Black, Brown, and Native people in particular. To eliminate these disparities, Energy Equity operates transparently to engage frontline communities in energy planning and decision-making that ensures the proportionate allocation of resources and leads to equitable distribution of energy benefits and ownership. An Energy Equity system operates transparently and applies safeguards for accountability, especially to local and impacted communities, especially low-income and communities of concern.

Adapted from: Energy Equity Project, 2022. “Energy Equity Framework: Combining data and qualitative approaches to ensure equity in the energy transition.” University of Michigan – School for Environment and Sustainability (SEAS). (pg. 9)

### **Environmental and Social Justice Communities**

“Predominantly communities of color or low-income communities; Underrepresented in the policy setting or decision-making process; Subject to a disproportionate impact from one or more environmental hazards; and Likely to experience disparate implementation of environmental regulations and socioeconomic investments in their communities.”

Excerpt from CPUC ESJ Action Plan Version 2.0 (page 6)

### **Environmental Justice**

“Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. This goal will be achieved when everyone enjoys: the same degree of protection from environmental and health hazards, and; equal access to the decision-making process to have a healthy environment in which to live, learn, and work. “

Excerpt from CPUC ESJ Action Plan Version 2.0 (page 69)

### **Equity**

Equity is transforming the behaviors, institutions, and systems that disproportionately harm People of Color and other historically disinvested and marginalized communities (including low-income, elderly, and disabled communities.) Equity means increasing access to power, redistributing, and providing additional resources, and eliminating barriers to opportunity, in order to empower these communities to thrive and reach full potential.

Adapted from CPUC ESJ Action Plan (page 69)

### **Holistic Equity-Centered Energy Efficiency Program**

Holistic equity-centered program design prioritizes EE programming that increases access to energy efficiency benefits while also addressing other community needs including improved housing and comfort, increased economic stability, equitable workforce development and employment, increased community health, and resiliency in the face of climate change.

### **Justice 40 Initiative**

The Federal government has made it a goal that 40 percent of the overall benefits of certain Federal climate, clean energy, affordable and sustainable housing, and other investments flow to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution. President Biden made this commitment when he signed Executive Order 14008

### **Targeted communities**

Targeted communities typically include but are not limited to: Disadvantaged Communities, defined as census tracts that score in the top 25% of CalEnviroScreen 3.0, along with those that score within the highest 5% of CalEnviroScreen 3.0's Pollution Burden but do not receive an

overall CalEnviroScreen score; All Tribal lands; Low-income households (Household incomes below 80 percent of the area median income); and Low-income census tracts (Census tracts where aggregated household incomes are less than 80% of area or state median income).”

Excerpt from CPUC ESJ Action Plan Version 2.0 (page 96)

### **Underserved communities**

And Underserved community means a community that meets one of the following criteria:

- Is a “disadvantaged community” as defined by subdivision (g) of Section 75005 of the Public Resources Code.
- Is included within the definition of “low-income communities” as defined by paragraph (2) of subdivision (d) of Section 39713 of Health and Safety Code.
- Is within an area identified as among the most disadvantaged 25 percent in the state according to the California Environmental Protection Agency and based on the most recent California Communities Environmental Health Screening Tool, also known as CalEnviroScreen.
- Is a community in which at least 75 percent of public school students in the project area are eligible to receive free or reduced-price meals under the National School Lunch Program
- Is a community located on lands belonging to a federally recognized California Indian tribe

Excerpt from CPUC ESJ Action Plan Version 2.0 (page 77)

### **Targeted Universalism**

Targeted universalism means setting universal goals pursued by targeted processes to achieve those goals. Within a targeted universalism framework, universal goals are established for all groups concerned. The strategies developed to achieve those goals are targeted, based on how different groups are situated within structures, cultures, and across geographies to obtain the universal goal. Targeted universalism is goal-oriented, and the processes are directed in service of the explicit, universal goal.

“[Targeted Universalism](#)” by Powell, Menendian, Ake, Othering, and Belonging Institute

## **Appendix B: Contributors**

### **Contributors**

#### Evolving CAEECC Working Group Members (Includes some Compensation Pilot participants)

- Amaury Berteaud, Association of Monterey Bay Area Governments
- Aislyn Colgan, Individual
- Sumire Gant, Gateway Cities Council of Governments
- Spencer Lipp, P.E., Individual
- Jan Maes, Nevada County Energy Action Plan Committee
- Tanisha-Jean Martin, San Diego Urban Sustainability Coalition
- Nicole Milner, Individual
- Jason Minsky, Association of California Community & Energy Services
- Charles Reed, Individual
- Alice Sung, Individual
- Kate Woodford, Center for Accessible Technology

My name is Tanisha-Jean Martin, Climate Community Director at San Diego Urban Sustainability Coalition (SDUSC). I focus on equity, and Environmental/Social/Climate Justice and sustainability in Communities of Concern. SDUSC created the term, Communities of Concern.

Although, I was very disappointed that the working group had come to an abrupt halt, I am pleased with motivation it enticed a small group to push forward and create a great work of recommendations. The small group that has developed the Evolving CAEECC Working Group Document was a true work of collaboration lead by passionate individuals in the space of equity, consciencely considerate recommendations, and disciplined dedication to make sure it is being delivered with quality care.

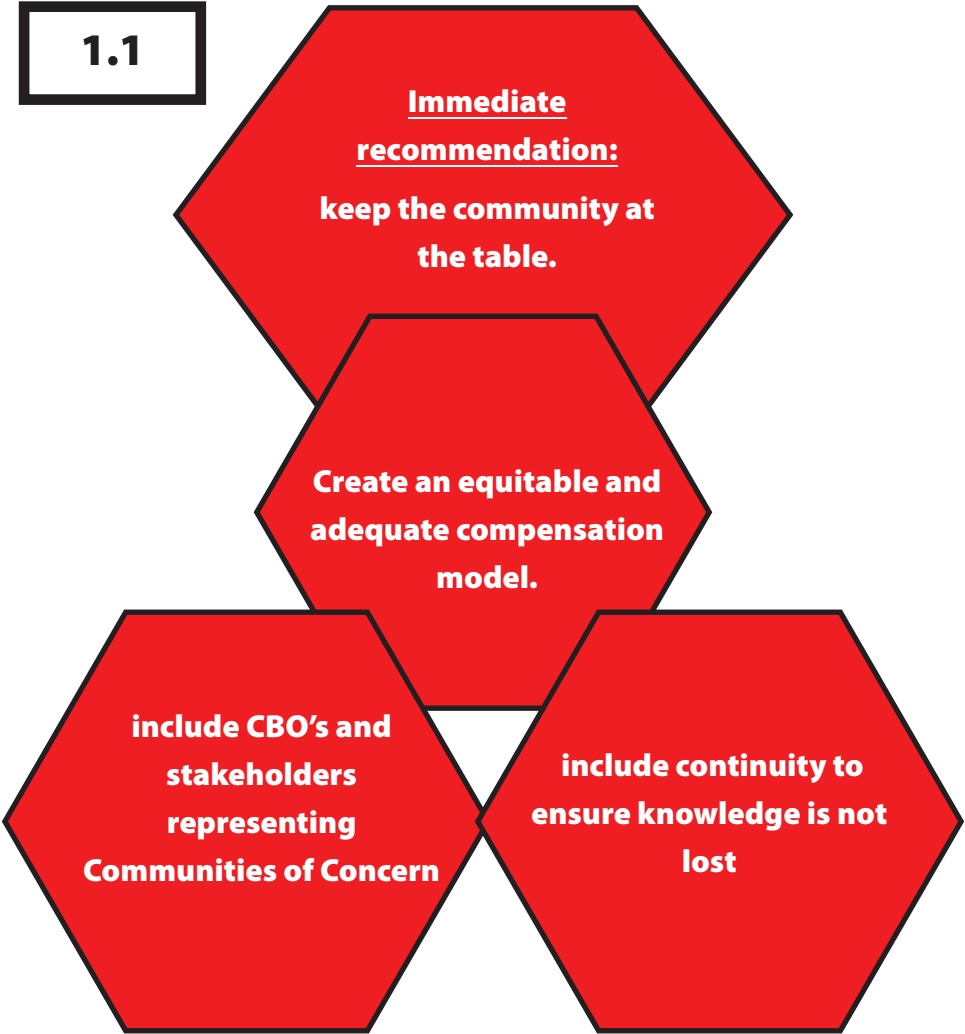
I was a major contributor to the group submission and would just like to add:

- The group could only work on it for so long, given the deadline of submission and running out of funding, so the recommendations submitted are only a piece of what the group has the potential to submit. I believe it was beyond our pay grade and level of admittance, to be able to give exact amounts and percentages for recommendations, but I whole heartedly believe a change needs to be made from thinking what maximum amounts should be offered versus minimum of payments as compensation and support for Communities of Concern.
- I know some amazing work can come from creating an Equity Advisory Board, and I would like to clearly announce I would be honored to be a part of it, and I believe incorporating others that have been a part of this project would be the best move to ensure the continuity of the recommendations being offered is not loss.
- Lastly, I worked on visual aids to accompany the recommendations that are in the group submission document. We decided it would be best to submit adjacent to the document. Given the amount of pages it would have forced to document to become. So, I offer it here as a helpful visual guide, and I hope it is very helpful.

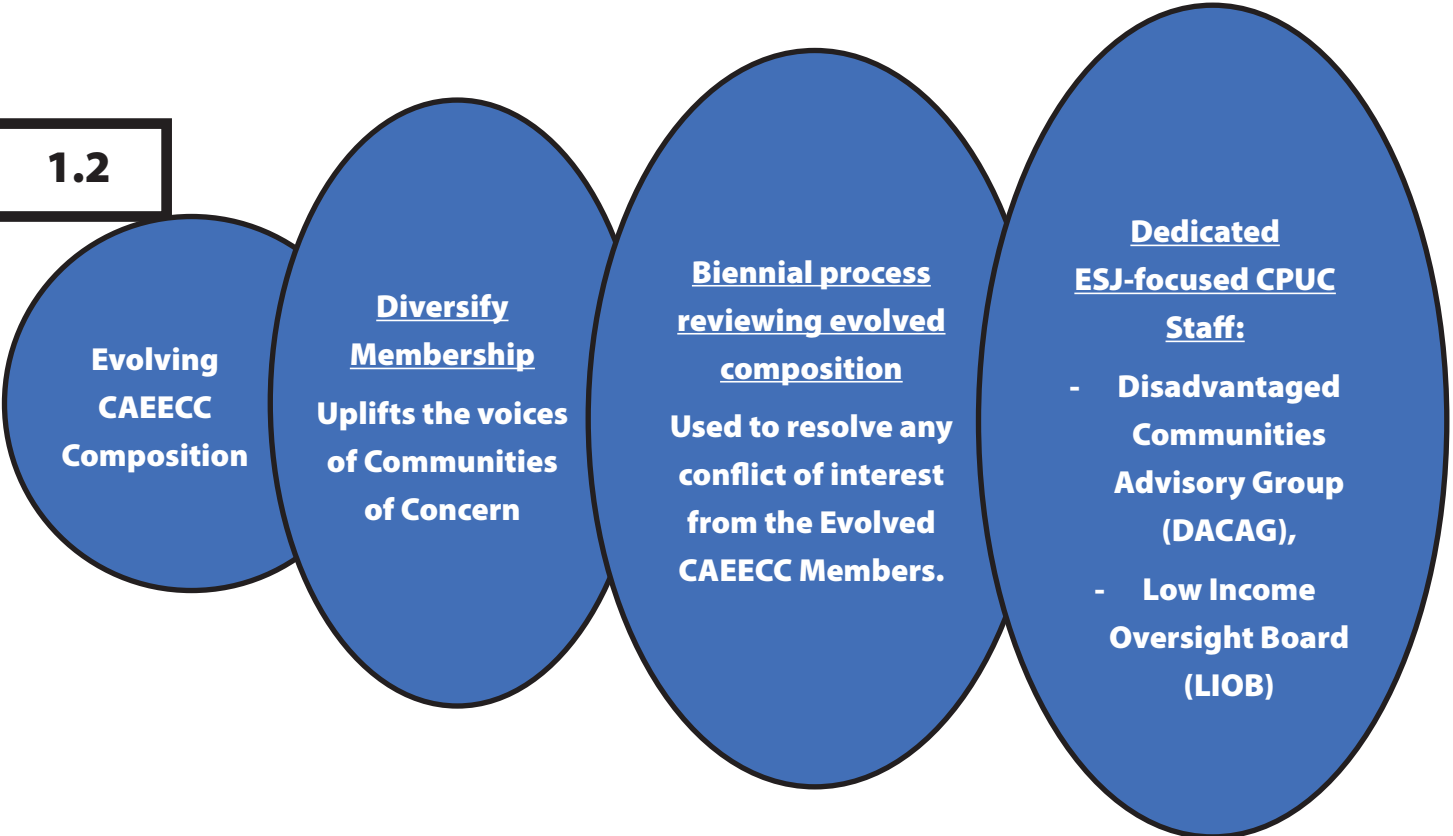
Thank you for this opportunity to conclude our thoughts and still share our considerations.

Tanisha-Jean Martin  
Tanisha@sdusc.org

**1.1**

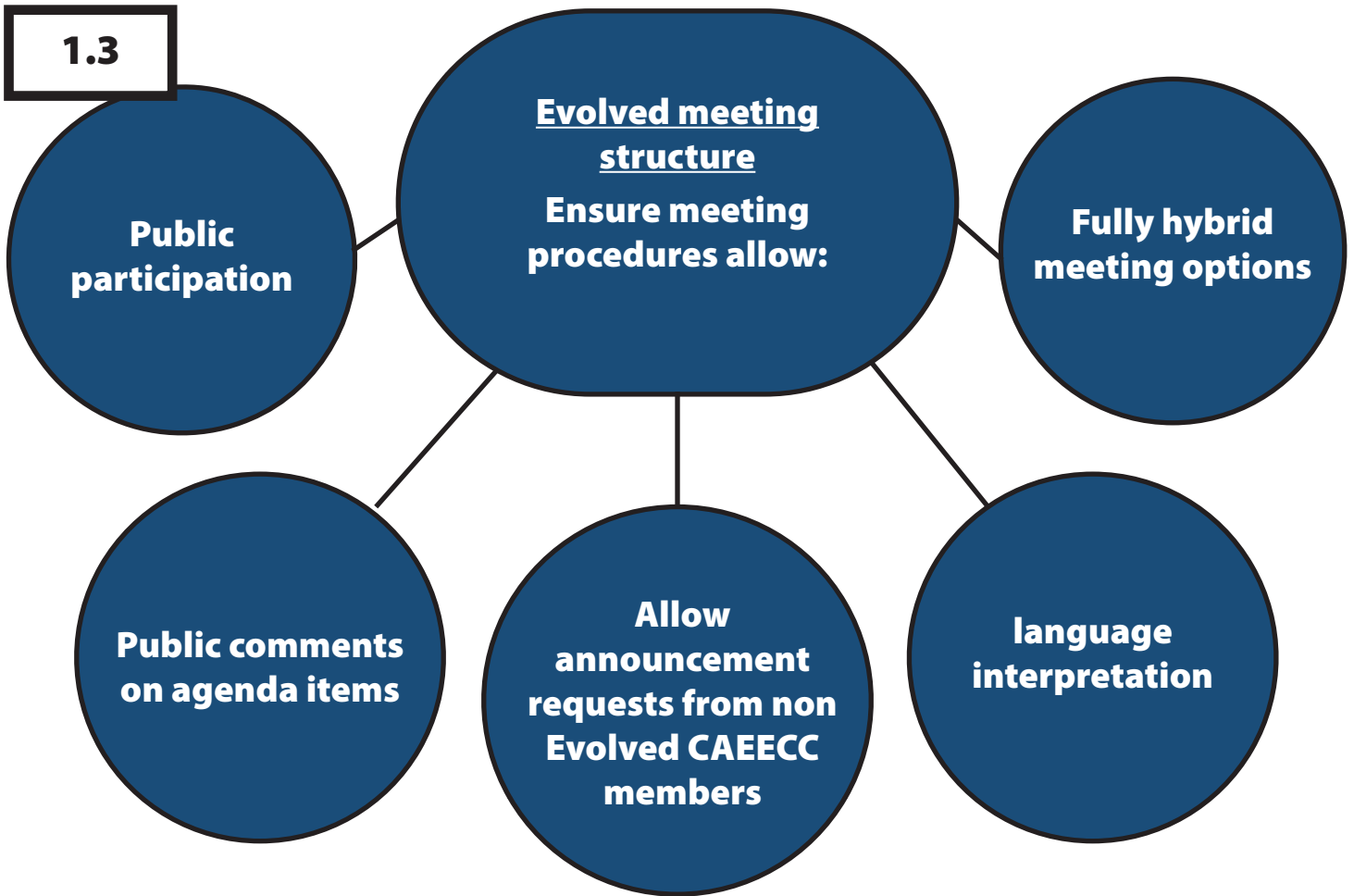


**1.2**

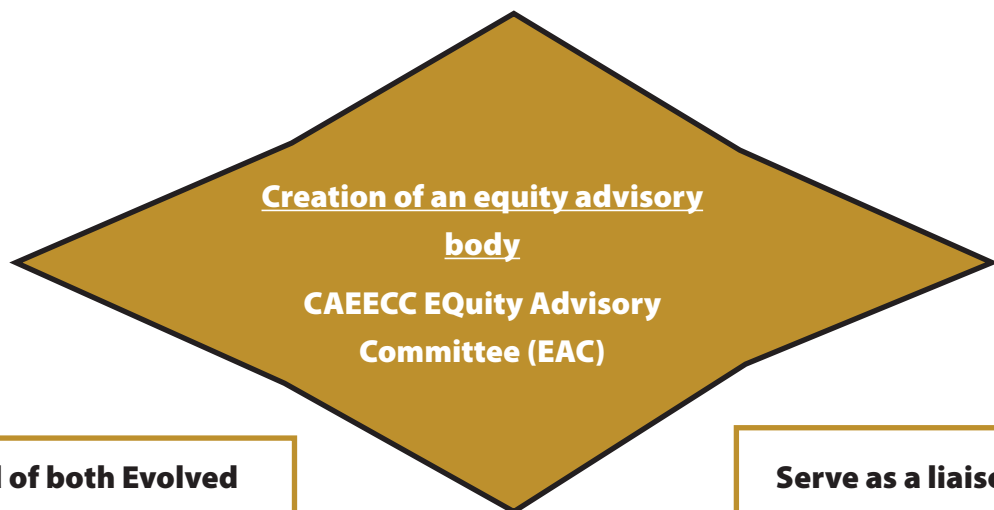




**1.3**



**2.1**

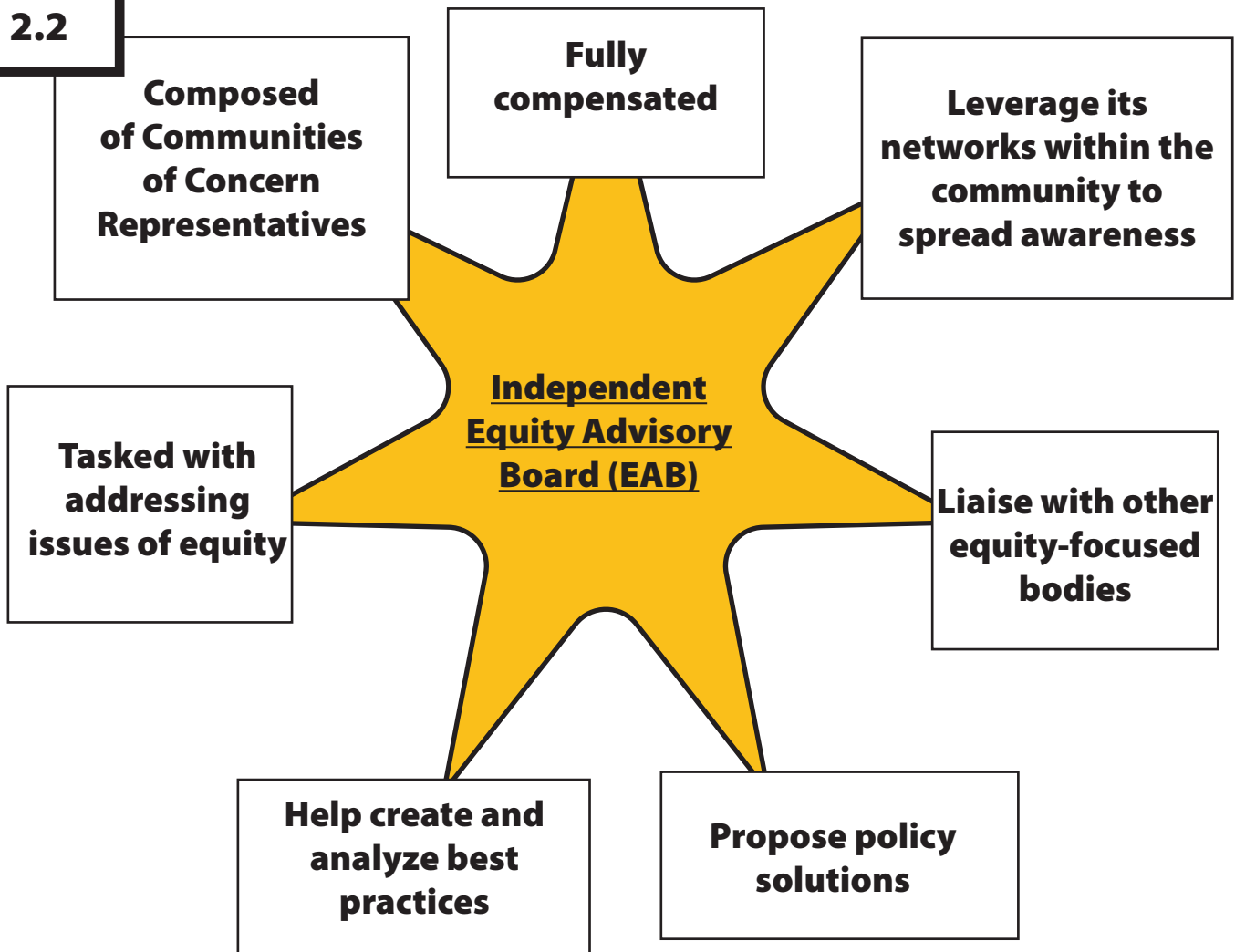


**composed of both Evolved CAEECC and non Evolved CAEECC Members from Communities of Concern**

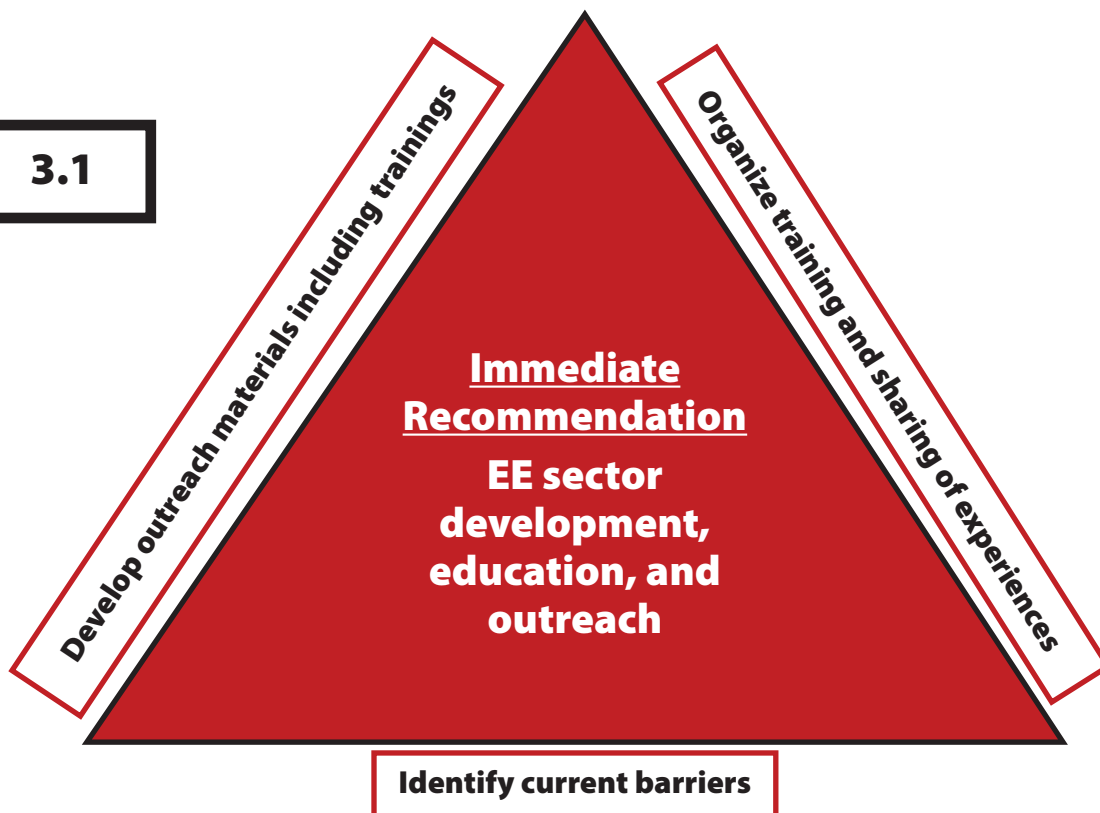
**Compensation**

**Serve as a liaison to bring more collaboration between energy programs**

**2.2**



**3.1**



**3.2**

**Coordinate, design, and implement learning opportunities**

**Immediate Recommendation:  
Increase internal collaboration to breakdown ESJ, equity, and EE silos**

**Leverage technical expertise that exists outside of the traditional market-rate EE landscape**

**3.3**

**Develop best practices for designing, implementing, and evaluating energy efficiency programs in alignment with ESJ goals.**

**Transparent and inclusive**

**Create an ongoing resource of best practices**

**Evaluate existing needs and challenges**

**Include non-energy benefits**

**Review and strengthen the recommendations**

**3.4**

**Designing and implementing equity programs to ensure alignment with ESJ goals is tracked and transparently reported**

**Create an annual report addressing equity and Highlight success**

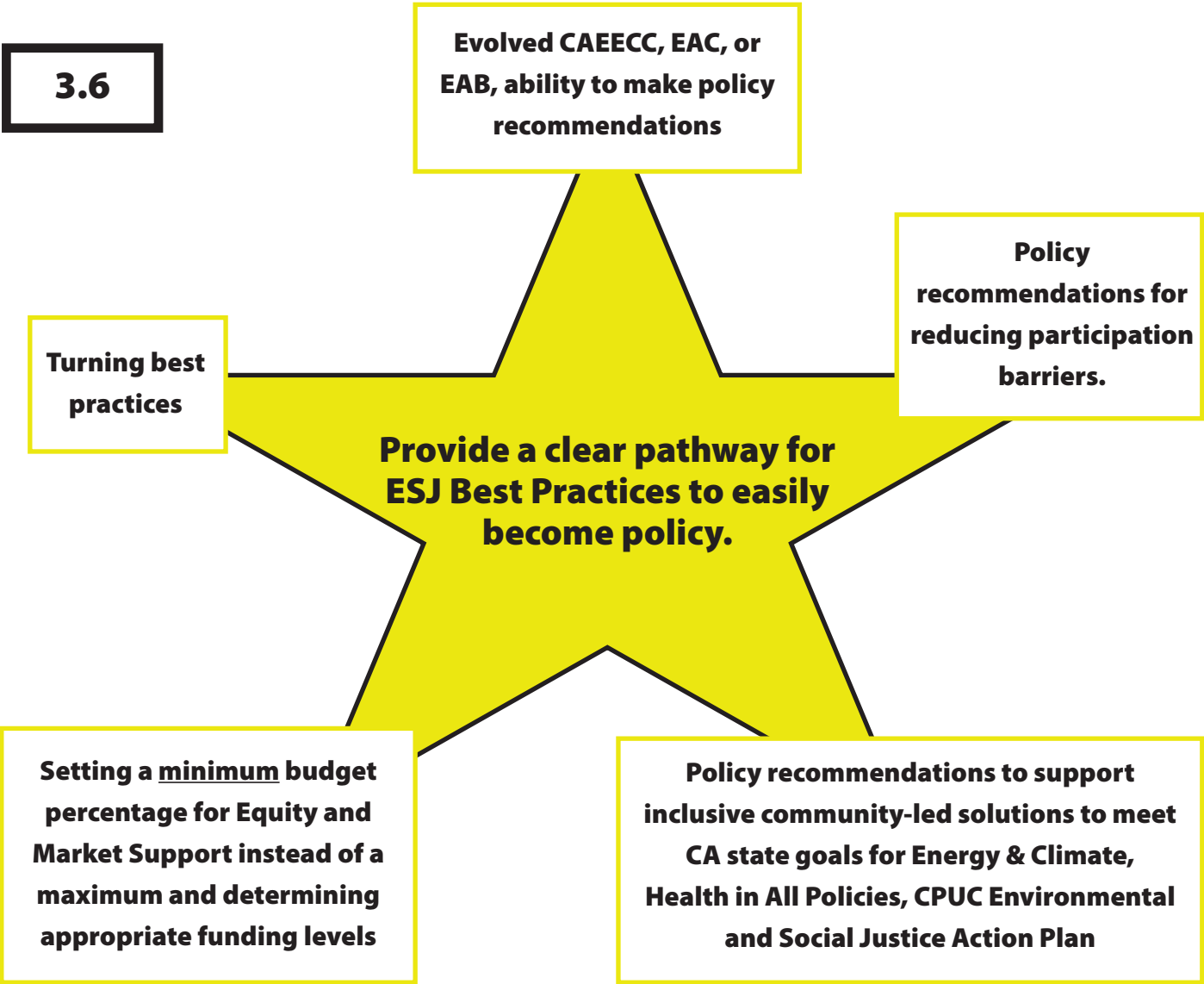
**Transparent public reporting of approved funding**

**Create an interactive online dashboard**

**3.5**

<b><u>PUC modification of current policy to spur equitable participation</u></b>		
<b>Eliminate the inclusion for cost-effectiveness for equity-targeted participants in Resouce Acquisition (RA) programs.</b>	<b>Simplify the hard-to-reach (HTR) definition to only use regional criteria to determine an HTR designation and other means of simplifying "eligibility".</b>	<b>Establish a 1 Net-to-gross (NTG) for the Equity segment due to little or no uptake similar to fuel substitution (D.19-08-009).</b>

**3.6**



## **Independent Reflections on the Evolving CAEECC Working Group**

Alice Sung, AIA, LEED AP, BD+C, SEA / [asung1@gmail.com](mailto:asung1@gmail.com)

### I. INTRODUCTION / BACKGROUND

As an independent member of the Evolving CAEECC Working Group (ECWG), I also participated in the self-organized subgroup (just under a dozen members) who continued to work together towards the ECWG charge after the facilitated Full (20-30 members) ECWG meetings were discontinued in early November, 2023. **I fully support the collective work of the “Evolving CAEECC Working Group Self-Facilitated Collective Reflections.”** Additionally, I have past experience with CAEECC over the years, having attended both in-person meetings held at NRDC offices as well as listening in online as a member of the public. As an interested member of the public, with both practical/technical background in energy efficiency as well as my own lived experience, I also served as an interested member of the public on the original Composition Diversity Equity and Inclusion Working Group (CDEI) of the CAEECC, whose work culminated in the CDEI report, recommending the formation of the Evolving CAEECC Working Group to carry on some of its charge. My technical background is as a licensed architect, green building sector practitioner, sustainability professional and climate justice advocate.

I offer the following **brief additional reflections below to reinforce the Collective Reflections** work and advance the work of the CAEECC/ECWG, the California Public Utilities Commission (CPUC) Environmental and Social Justice Action Plan (CPUC ESJ Action Plan) goals as well as the state’s overall energy and climate goals, Health in All Policies, and other movements towards equity, environmental and climate justice.

### II. SUMMARY/ NEXT STEPS

While there are too many lessons learned from both the 3-4 meetings of Full ECWG as well as the 3+ months of more concentrated work by the independent ECWG subgroup, (Self-Facilitated Collective) experiences, perhaps the most important I can emphasize was that of the new perspectives brought by the inclusion of more diverse stakeholders including independent Compensation Pilot participants, working as a Collective. Although there were clear flaws in the design of the ECWG engagement/facilitation/structure, and process, which suffered from circumstances of inadequate budget, and other resource and time constraints, the success of this subgroup, enabled by the ECWG Compensation Pilot, demonstrates the potential breakthrough in human investments and relationship building called for in this energy systems/energy efficiency space.

As the famous American architect, Buckminster Fuller once said:

***“ You never change things by fighting the existing reality. To change something, build a new model that makes the old one obsolete.”***

The resourcing and capacity building with adequate support is foundational to achieving our California energy and climate justice goals. It will take *all of us* without false bias of human hierarchy, in order to heal the division, to build trusted relationships in *working together*. Since our past couple of decades of energy efficiency programs have only brought us so far, and current extractive energy system economic models based on fossil-fuels dependence is a large part of the root cause of our systemic problems, the time is ripe for new solutions, for new models of operating. It may seem quite different, challenging or uncomfortable to some or all of us, but we've nothing to lose and everything to gain in achieving Climate Justice. This is in specific alignment with the CPUC ESJ Action Plan goals for example:

CPUC Goal 5 to “Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC’s decision-making process and benefit from CPUC programs.”<sup>1</sup>

### **Next Steps**

- Leverage and build on the work of the core subgroup of the ECWG and its Self-Facilitated Collective Reflections by identifying the resources necessary to maintain the continuity of its work to guide the implementation of the Recommendations in the Collective Reflections and others to be developed by the core subgroup in collaboration with CAEECC/ECWG and the CPUC/Energy Division staff.
- Re-Convene and Re-establish an ECWG formation to help advise CAEECC/CPUC in consideration of the purpose, and intended outcomes to adopt the Short Term Recommendations of the Self-Facilitated Collective Reflections and others to be developed towards manifesting CPUC ESJ Action Plan and other state goals, and co-create policies and programs with guidelines to make Equity real.
- Provide ongoing, permanent opportunities and adequate support for inclusive Equity participation, meaningful engagement, consultation and democratic, participatory decision-making.

### **OTHER OFFERINGS**

#### **Vision Statement for Equity in Energy Efficiency towards Climate Justice**

Energy efficiency is inherently one of the most “cost-effective” energy resources. Along with directly related energy/demand management/use reduction-conservation, building decarbonization, distributed energy resources, and their associated “cost avoidance,” energy efficiency has the potential to reduce energy burdens, (both use and costs,) cut carbon emissions to near zero, promote public health/wellbeing, and community resilience. However, conscious effort to widen/deepen decision-making perspectives, and targeted investments in human capacity to design and implement solutions that are both “Just *and* meet energy and climate goals” is required to ensure that these benefits are conferred equitably among *all Californians*, in places where they gather, live, learn, work, play, and pray.

<sup>1</sup> CPUC, Environmental and Social Justice (ESJ) Action Plan. <https://www.cpuc.ca.gov/news-and-updates/newsroom/environmental-and-social-justice-action-plan>

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**Jenifer Lomeli**  
**Program Coordinator**  
**Emerald Cities Collaborative**

April 11, 2024

Evolving CAEECC Working Group Reflection Submission

To the Commissioner Staff :

I am submitting this reflection based on my experience in the Evolving CAEECC Working Group. I came to represent my organization, Emerald Cities Collaborative (ECC). ECC is a national organization whose mission is to create just, sustainable, and inclusive regional economies. Our primary goals are to green our cities, build our communities, and strengthen our democracy. ECC focuses on increasing the number and quality of jobs and business opportunities in key growth sectors of the clean energy economy, with a specific focus on increasing access for low-income communities of color. We were invited to join the working group to get more insight into the energy efficiency field as well as how the CPUC is embedding equity in its programs and how ECC's programs can contribute insight.

The goal was to understand CAEECC and the broader CPUC inner workings but following participation in the evolving working group, I fell far short of achieving that. My personal knowledge of the energy efficiency field is quite minimal. The application for the working group stated that those who wished to participate did not need to have an extensive background in energy efficiency and could participate. However, very little background information was given to the participants to assist them throughout the meetings. Furthermore, there was a lot of emphasis on technical policies and heavy use of jargon that many of us were unfamiliar with which prevented us from meaningfully participating in conversations. As a result, a lot of the meeting time was taken up on explaining vocabulary and policies which left little time to brainstorm together and come up with ideas. This made the meetings much more overwhelming on top of the extensive four hours we were scheduled to meet. In the end, I had difficulty in understanding what CAEECC does. We did discuss equity in a broader sense, lifted as a goal but we did not make an overarching or specific connection with the CAEECC policies.

In my recommendation for CAEECC, I propose a shift in approach to prioritize discussions on equity and focus more closely on the key programs, policies, initiatives, or processes we intend to influence. The working group needs representation of frontline communities to provide input in these conversations. Per my comments earlier, the facilitators need to set the stage adequately for participants that are less familiar with the technical landscape or CAEECC's reach and

influence to understand the conversations and be able to provide adequate feedback. One potential way that can be done is through an in-depth learning session either incorporated into the introduction or a dedicated session that provides the necessary information on the CAEECC's policies landscape. I think without this information, the working group will not be able to properly succeed.

Additionally, CAEECC needs to provide context for understanding how the energy efficiency group is different from the affordability group. During our meetings, many of the equity conversations on energy efficiency were halted because they touched too much on the affordability group. The last recommendation is to shorten the length of the meetings as four hours once a month is not sustainable to reach the goals of this group. Many community-based organizations, especially those that represent frontline communities, do not have the capacity to actively participate in half day meetings as their work often involves organizing the community or attending in person public workshops and townhalls. If CAEECC wants to prioritize equity through its principles and policies, it must start at the procedural and process level as well. Holding frequent multi-hour meetings several hours a month poses an accessibility and capacity issue for many CBOs. I recommend that meetings are shortened/less frequent and focused on:

- providing relevant context for CBOs to understand these various tables and structures for policy making
- providing guided questions and interactive exercises for CBOs to provide comprehensive feedback and solutions
- providing plans to follow up and incorporate feedback so CBOs are aware of the influence, power sharing, and collective impact they're achieving through their engagement and to hold CAEECC accountable for their plans.

The Evolving Working Group can succeed and provide the necessary recommendations to influence CAEECC's and CPUC's goals and center equity in the energy efficiency space with the proper restructuring of voices and better use of time in the working group.

Thank you for considering these recommendations.

*Jenifer Lomeli*  
*Emerald Cities Collaborative*  
[jlomeli@emeraldcities.org](mailto:jlomeli@emeraldcities.org)





## NRDC Reflections on the Evolving CAEECC Working Group

Lara Ettenson, [lettenson@nrdc.org](mailto:lettenson@nrdc.org)

April 12, 2024

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### I. INTRODUCTION & SUMMARY

NRDC is a founding member and current non-Program Administrator co-chair of the California Energy Efficiency Coordinating Committee (CAEECC). We were also an active part of the Evolving CAEECC Working Group (ECWG) and have been engaged with a self-facilitated subgroup of the ECWG members to ensure overarching consistency.

We offer the following reflections to ensure CAEECC is an open, transparent, and inclusive space for stakeholder engagement and participation in market-rate energy efficiency decision-making opportunities. NRDC's reflections also advance the California Public Utilities Commission (CPUC) Environmental and Social Justice Action Plan, specifically Goal 5 to “Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC’s decision-making process and benefit from cpuc programs.”<sup>1</sup>

#### *Summary of NRDC Reflections and Recommendations*

- The current structure, composition, and focus of CAEECC is not sufficiently relevant for present-day needs to center equity, justice, and inclusion in outreach, participation, and decision-making processes.
- CAEECC should take on various activities within their purview in the short-term to update composition and public engagement opportunities, while considering longer term changes.
- NRDC supports many of the recommendations provided by a self-facilitated subgroup of the Evolving CAEECC Working Group (ECWG) and urges that CAEECC and/or the Commission co-create a process with stakeholders to advance these ideas.

### II. DISCUSSION

- a. The current structure, composition, and focus of CAEECC is not sufficiently relevant for present-day needs to center equity, justice, and inclusion in outreach, participation, and decision-making processes.*

As background, CAEECC was originally developed to – among other things – improve energy efficiency policy and programs through broader stakeholder input, resolve disputes among parties prior to entering positions into the record, increase opportunities for collaboration, and streamline multiple stakeholder meetings. The hope among many of the parties involved in setting up CAEECC was to reduce contention that existed in the formal regulatory process, narrow the items that the Commission had to resolve, and create more efficient stakeholder

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<sup>1</sup> CPUC, Environmental and Social Justice (ESJ) Action Plan. <https://www.cpuc.ca.gov/news-and-updates/newsroom/environmental-and-social-justice-action-plan>

participation opportunities. The current goals as written in CAEECC’s Roles and Responsibilities are as follows:<sup>2</sup>

1. “Support the development and expansion of high-quality energy-efficiency programs that reduce greenhouse-gas emissions in line with state climate and energy goals while responding to customer needs and market dynamics.
2. Provide meaningful and useful input to the Program Administrators (PAs) in the development and implementation of their energy-efficiency business plans.
3. Improve collaboration and communication among parties and with the California Public Utilities Commission (CPUC) on energy-efficiency matters.
4. Resolve disagreements among stakeholders whenever possible to reduce the number of matters that need to be litigated before the CPUC.”

However, considering the events over the past many years, including, but not limited to, the murder of George Floyd, the COVID pandemic, and the growing energy affordability crisis, CAEECC’s original purpose is not sufficiently relevant as currently written. This was generally recognized by CAEECC, which led to the launch of the “Composition, Diversity, Equity, and Inclusion (CDEI)” working group. That group developed a robust set of items that needed to be explored, along with initial recommendations to center diversity, equity, and inclusion within CAEECC. The recommendations were captured in an CAEECC report, which is incorporated as Appendix A, so it can be entered into the formal record.<sup>3</sup>

Given the breadth and depth of the CDEI Working Group Report, “Evolving CAEECC Working Group” was established as a successor to further refine the initial scope of issues and recommendations. In particular, the ECWG Prospectus highlighted the following challenges that needed to be addressed:<sup>4</sup>

- “CAEECC’s authorizing language from the 2015 Decision (D.15-10-028) is centered around parties and people with extensive energy efficiency experience. It does not include any language/guidance pertaining to justice, equity, diversity, or inclusion efforts.
- CAEECC’s formal structure and approach to engagement needs to evolve to advance the Commission’s commitment to Environmental and Social Justice as articulated through their “CPUC’s Environmental and Social Justice Action Plan” (“CPUC ESJ Action Plan”), as well as to ensure efficiency offerings are designed to meet the needs of all customers and to invest meaningfully in communities left behind.
  - CAEECC is not currently structured in the way needed to show up to address justice, equity, diversity, and inclusion as it pertains to energy efficiency under the purview of the CPUC.

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<sup>2</sup> California Energy Efficiency Coordinating Committee (CAEECC): <https://www.caeccc.org/caeccc-info>

<sup>3</sup> CAEECC, “Composition, Diversity, Equity, and Inclusion Working Group”:  
<https://www.caeccc.org/cdei-working-group>

<sup>4</sup> CAEECC: “Draft Prospectus for Evolving CAEECC Working Group” (ECWG Prospectus)  
[https://www.caeccc.org/files/ugd/849f65\\_9f60990f035e4d0aab89060ee660f5c9.pdf](https://www.caeccc.org/files/ugd/849f65_9f60990f035e4d0aab89060ee660f5c9.pdf)

- Perpetuating the status quo of CAEECC’s current structure will continue to leave voices out and would undermine opportunities to meet the state and Commission equity goals.
- The CDEI WG Final Report proposed a series of topics for this WG to explore, ranging from purpose to facilitation to membership application.
- CAEECC member discussions have recognized an evolution of needs and commitments of the CPUC and the EE Portfolio that may impact the Purpose, Objectives, Structure, and Processes of CAEECC.”

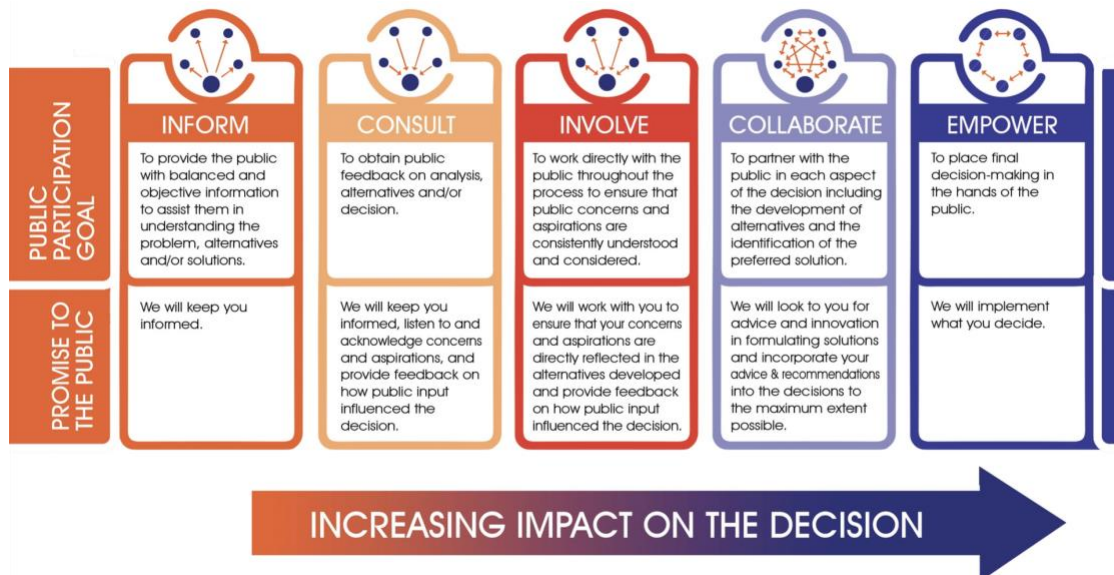
As such, the ECWG scope of work focused on the following objective:

Align the CAEECC Purpose, Objectives, Structure, and Processes as reflected in its governance policies, with CPUC and state goals around justice, equity, diversity, and inclusion, and evolving needs of the EE Portfolio. In addition, this WG is charged to recognize climate goals and the use of energy efficiency to support carbon goals, and health inequities, as possible.<sup>5</sup>

For a variety of reasons, ECWG was unable to accomplish this objective. However, there is still a critical need to do so. The following reflections outline opportunities for CAEECC to become a collaborative that aligns with the state’s objectives of climate, environmental, and social justice, while being responsive to the evolving needs of the efficiency portfolio.

To ensure that the process for solving the forthcoming recommendations is inclusive and collaborative, we urge the Commission to co-create a process and scope for needed next steps in a public and inclusive manner.

**Image1: Pillars of Public Participation<sup>6</sup>**



<sup>5</sup> ECWG Prospectus, p.3

<sup>6</sup> IAP2, <https://www.iap2canada.ca/Pillars>

This could be done in a variety of ways, as described in the image above. We recommend working with the submitters of the April 12, 2024 ECWG reflections, Energy Division and the Environmental and Social Justice Action Plan staff, as well as other interested stakeholders (whether parties or not) to develop a collaborative approach to solving critical issues.

- b. CAEECC should take on various activities within their purview in the short-term to update composition and public engagement opportunities, while considering longer term changes.*

CAEECC can undergo various improvements to composition and stakeholder participation under its current authority, most of which is already in progress. For example:

1. **Composition:** CAEECC should determine how best to update its membership for the remainder of 2024 and beyond, pending the outcome of Commission direction in response to these reflections. Expanded CAEECC composition and/or choosing a more open public process is critical to ensuring that a diverse range of stakeholders are part of the conversation to brainstorm the future purpose and structure of CAEECC.
2. **Engagement:** CAEECC has seen increased interest from stakeholders to engage in the dialogue around equity, not all of whom are formal parties to the R.13-11-005 proceeding. As such, CAEECC will need to update its current meeting structure to enable additional opportunities for dialogue. This should be done in coordination with the Commission's environmental and social justice team.
3. **Compensation:** Given that such increased participation is in large part due to the Compensation Pilot, the current pilot or a successor should be continued. While continuing compensation in the short term is necessary to maintain the momentum of participation, the Commission should explore adopting a longer-term compensation structure that would build on lessons learned from the CPUC's recent Equity and Access Grant Program<sup>7</sup> and the CAEECC Compensation Pilot.<sup>8</sup> This would help remove access and equity barriers by providing adequate resourcing through solutions designed in partnership with the broader range of stakeholders who would require such support to participate in CPUC-related activities.
4. **Scope:** As the scope of R.13-11-005 or its successor is updated, the Commission should include the issue of CAEECC as within scope.

- c. NRDC supports many of the recommendations provided by a self-facilitated subgroup of the Evolving CAEECC Working Group (ECWG) and urges that CAEECC and/or the Commission co-create a process with stakeholders to advance these ideas.*

As noted above, NRDC has been communicating with the self-facilitated subgroup of ECWG group that is submitting separate reflections to ensure our recommendations are consistent

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<sup>7</sup> California Public Utilities Commission (CPUC): <https://www.cpuc.ca.gov/news-and-updates/all-news/cpuc-champions-change-with-award-of-first-ever-equity-and-access-grants-2024>

<sup>8</sup> California Energy Efficiency Coordinating Committee (CAEECC): <https://www.caeccc.org/compensation-task-force>

wherever possible. As such, NRDC voices support for the following recommendations included in their submission:

1. **A focus on short-, mid-, and long-term activities:** This would ensure that – in the short term – an Evolved CAEECC, with a CAEECC-related Equity Advisory Group, continues to update its practices and composition in line with the ESJ Action Plan, climate goals, and equity policies while the Commission considers longer-term changes.
2. **Additional seats at the table:** CAEECC composition should be revisited to reconsider membership criteria and to include stakeholders with diversity, equity, inclusion, and justice expertise so they can be a meaningful part of an influential, decision-making table.
3. **Advisory Board:** The formation of a CAEECC Equity Advisory Group dedicated to equity related tasks (e.g., developing best practices, influencing request for proposal design and/or outreach to bidders, informing program designs, etc.).
4. **Opportunities for improved coordination:** An Evolved CAEECC, with an Equity Advisory Board and additional resources for capacity, should incorporate opportunities to coordinate across the various equity and social justice silos (e.g., related proceedings, agencies, etc.). This could include more concerted efforts to liaise with, but not limited to, any Energy Division ESJ teams, the California Energy Commission, Disadvantaged Community Advisory Group (DACAG)<sup>9</sup> and the Low-Income Oversight Board (LIOB).<sup>10</sup>

### III. CONCLUSION

These recommendations focus on evolving the existing structure of CAEECC within the confines of R.13-11-005. However, we note that if the Commission decides to launch a new, consolidated proceeding for demand side resources, as recommended by the Public Advocates Office, we urge the Commission to include in scope the development of an equitable, inclusive collaborative that aligns with the ESJ Action Plan and recommendations of the ECWG and CDEI.

We appreciate the opportunity to provide these comments and look forward to working with the Commission, CAEECC, and interested stakeholders to design an effective collaborative that truly benefits all peoples and centers equity throughout all work related to providing affordable, accessible, and sustainable energy resources.

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<sup>9</sup> Disadvantaged Communities Advisory Group (DACAG): <https://www.energy.ca.gov/about/campaigns/equity-and-diversity/disadvantaged-communities-advisory-group>

<sup>10</sup> Low Income Oversight Board (LIOB): <https://liob.cpuc.ca.gov/>



Hello, I am the Executive Director of Acterra: Action for a Healthy Planet (Acterra). I am writing this on behalf of Leo Steinmetz, our Impact Analyst, that participated in the CAEECC for Acterra. Leo is no longer with Acterra but has passed along his feedback on his participation. Our intention in participating was rooted in Acterra's mission, which is to bring people together to create local solutions for a healthy planet. Acterra focuses its efforts on the most urgent issue of our time: climate change. We promote and support electrification, energy efficiency, and renewable energy; transportation innovation; food sustainability; resilience and adaptation in the context of empowering underserved communities; and sustainable business practices in our region. We collaborate with community partner organizations as well as local and regional governments to effect change.

The working group for CAEECC was originally intended to examine and recommend the purpose, objectives, structure and process for the state and PUC around justice, equity, diversity and inclusion. My understanding is that the intentions, while well meaning, fell short. Meetings had tension and there was an undercurrent of distrust to the process. Because CAEECC is made up of representatives from environmental advocacy groups, labor representatives, consumer advocates, energy efficiency implementers, local governments and state staff, and program administrators there are a lot of voices to be heard. The feedback I received was that some voices were louder than others. As I was not in attendance personally, I cannot speak to the core of the issue (facilitation? Personality dynamics? Unclear expectation setting?) but I can say we are saddened by the outcome but fully understand the reasoning for ending the group.

Recommendations/reflections for an ideal equitable process that would identify, define, and determine CAEECC's purpose:

Acterra recommends a 1) smaller working group for each subset of membership (advocacy, labor, etc) that takes recommendations from that group to a decision making body. There could even be a single rep from each subset of membership that is identified to lead the summarization to the decision making body. And then the CPUC can take those recommendations and finalize a plan, ideally through a third party mediator. This allows for the receipt of feedback in a period of time that provides for thoughtful, reasoned responses. Or 2) a reset with new members and new facilitators.

We wish you the best of luck and had high hopes for our participation. Please let us know how we can continue to support these good efforts.

Sincerely,

Lauren Weston

Executive Director

Acterra: Action for a Healthy Planet

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