Energy Efficiency and Distributed Solar Energy Targeted to Underserved Communities: Perspectives on the Illinois Future Energy Jobs Act
Underserved Community

- Communities that lack common services like healthcare facilities and access to nutritious food
- Typically low-income communities and communities of color
- Often lack political influence
Vulnerabilities

• Often are at higher risk because of health and nutrition issues
• Often subject to higher exposure to pollutants
• Climate risks may be higher
Three Frames

• Energy Justice

• An energy just world is “one that equitably shares both the benefits and the burdens involved in energy production and consumption of energy services, as well as one that is fair in how it treats people and communities in decision-making.”

• Benjamin Sovacool and Michael Dworkin
Three Frames

- Equitable Development
- Equitable development is “driven by…clear expectations that the outcomes from development need to be responsive to underserved populations and vulnerable groups.…”
Three Frames

• Energy Democracy
• This concept envisions a right of peoples and communities to make their own decisions on energy systems.
Disproportionate Impact

- NAACP—a higher percentage of lower income and people of color live within three miles of a coal plant
- These same demographics are disproportionately impacted by transportation—diesel emissions and ozone
Disproportionate Impact

- At higher risk from the impacts of climate change
- Energy costs are disproportionately high—as high as 20% of household income
Part of the Transition

• Impacted communities want to be part of the transition to a low carbon economy to avoid the impacts of carbon-based energy production and lower the cost of energy.
Professor Alice Kaswan

- Equitable adaptation requires policies that explicitly address the demographics of affected populations and address the needs of the most vulnerable people.
- Equity not equality in the allocation of resources.
Designing Programs

• To increase program impact in low-income single- and multifamily housing, energy efficiency program managers should design programs to meet the needs of diverse low-income communities
• Multi-family housing
Future Energy Jobs Act

- 2016 Illinois law
- Bi-partisan, stakeholder law
- 25% renewable by 2025, 45% by 2035
- Requires two major utilities to double low income energy efficiency and establishes solar energy for all program
- Elevate Energy is main implementing agency
FEJA Findings

• Illinois should encourage:
  ➢ the adoption and deployment of cost-effective distributed energy resource technology and devices,”
  ➢ “provide incentives for electric utilities to achieve the [state’s] energy savings goals,”
FEJA Findings

• “low-income customers should be included within the state’s efforts to expand the use of distributed generation technologies and devices.”
FEJA

• An increased emphasis on energy efficiency requiring Illinois electric companies to reduce demand by as much as 21.5 percent by 2030

• Goals for workforce development targeted to underserved communities
FEJA

- A requirement that a minimum of $25 million dollars be spent each year electric utilities exclusively on programs to increase energy efficiency of low-income households
- Performance bonuses to incentivize electricity companies to exceed annual energy savings targets so that utilities are no longer rewarded only for selling more electricity
FEJA

- Rate caps that ensure the cost of the energy efficiency, community solar and zero emissions credit programs do not significantly raise electricity costs for consumers.
Community Solar

- Study by Tufts and UC Berkeley
- Significant racial disparities in rooftop solar installations
- Energy injustice—underserved communities are missing out on the economic benefits of solar
- Community solar one response
Community Solar

• The state’s first community solar program that includes $750 million to support a Solar for All program in low-income communities that includes programs to train low-income community members to work in the solar industry.
FEJA

- Low-income Energy Advisory Committee
- “Assist in the design and evaluation of the low-income energy efficiency programs”
- Procedural justice
- Workforce development also a key issue but FEJA only for Solar for All, not energy efficiency
Elevate Energy

Mission- “reduce costs, protect people and the environment, and ensure the benefits of clean and efficient energy use reach those who need them most”
Elevate Energy

- 125 staff including community organizers, technical experts, program managers and community development professionals
- Specific focus on energy efficiency from multi-family housing, churches and non-profits organizations
- Voice of underserved communities
Illinois Clean Jobs Coalition
ILLINOIS CLEAN JOBS COALITION

• Involving this more diverse of supporters in lobbying and negotiations “strengthened the coalition’s negotiating position and attracted new legislative support.”

• The result was a law that “contains several provisions aimed at correcting historical underinvestment in energy efficiency in Illinois’ environmental justice and economically disadvantaged communities.”
Focus on Jobs

- Coalition members are also deeply interested in workforce development
- ensuring that trained low-income and minority individuals are hired by contractors and that small
- diverse contractors can grow their businesses
Clean Energy Jobs Act and Path to 100 Act

• Raise renewable energy goal to 100% by 2050
• Expand solar energy credit to support renewable jobs
• Create “Clean Energy Hubs”—equitable access to jobs
• Community Energy and Climate Plans to promote energy justice
• Clean Energy Empowerment Zones
Concluding thoughts

• Underserved communities want a more active role in reducing risks and costs associated with energy use.

• Laws like FEJA that are based on strong community engagement and that are equity rather equality focused provide an interesting model for a more just energy future.