

DOCKETED

Docket Number:	16-OIR-02
Project Title:	SB 350 Barriers Report
TN #:	213698
Document Title:	Rising Sun Energy Center Comments: SB 350 Barriers Study Draft Report
Description:	N/A
Filer:	System
Organization:	Rising Sun Energy Center/Julia Hatton
Submitter Role:	Public Agency
Submission Date:	9/16/2016 1:08:31 PM
Docketed Date:	9/16/2016

Comment Received From: Julia Hatton

Submitted On: 9/16/2016

Docket Number: 16-OIR-02

SB 350 Barriers Study Draft Report: Comments, Rising Sun Energy Center

Please see attached.

Additional submitted attachment is included below.

SB 350 Barriers Study Draft Report

Comments, Rising Sun Energy Center

Contact: Julia Hatton – 510-665-1501x301 – hatton@risingsunenergy.org

Rising Sun Energy Center is a nonprofit workforce development organization that provides green training and employment opportunities to youth and to low-income adults, and that offers free direct install energy efficiency and water conservation assessments, services, and education to renters and homeowners in six Bay Area and Central Valley counties.

Rising Sun has been engaged in the SB 350 Barriers Study through participation in the SB 350 Jobs & Economic Opportunities Workshop on July 20, 2016 and contribution to the resulting “Comments and Recommendations” document, and as a panelist at the SB 350 Barriers Study Workshop (Melvin Parham, GETS Program Manager) on August 12, 2016. Rising Sun was mentioned in the “Brightline Defense Comments on Proposed Scope of SB 350 Barriers Report”, and in the Draft Report itself, as a member of the Greenlining Institute and for its comments at the August workshop.

In general, Rising Sun agrees with the observations and conclusions made in the Draft Report, and appreciates the level of effort that went into compiling the report. Rising Sun values our engagement in the process thus far, and the opportunity to comment on the Draft Report. We offer four main themes for consideration:

1) Workforce Development

We agree with the Brightline Defense Project’s recommendation that “the study should address workforce issues in low-income communities”, for the reason that “For clean energy to truly benefit low-income communities, it must be accompanied by job training, job placement, and career pathways for low-income residents” (see *Brightline’s Comments on SB 350 Barriers Study Proposed Scope*, Docket Number 16-OIR-02, TN# 211909). While we recognize the complexity and breadth of this topic, there is little discussion in the Draft Report of the workforce education, training, case management, and job training considerations necessary for ensuring “well-paying, family-sustaining, clean energy job opportunities” (mentioned on p. 71) for low-income residents. Rather than reiterate those workforce considerations, we refer to the *SB 350 Clean Energy Jobs & Economic Opportunities Comments and Recommendations* submitted by the Greenlining Institute and the Asian Pacific Environmental Network on behalf of a variety of expert stakeholders.

The Draft Report does mention the importance of “partnerships with community-based organizations to provide information and train local workforce” (p. 67). We agree; however, we want to note that funding for such partnerships is often lacking, particularly within energy efficiency and weatherization programs, since workforce development is not tied directly to energy savings and can be seen as a barrier to cost-effectiveness. As was discussed at a recent *Sustainability Summit: A Discussion of Needs by Disadvantaged*

Communities through State and Local Investments in San Francisco, local CBOs often face multiple requests for (unfunded) assistance and resources. There should be financial considerations to make it feasible and sustainable for local CBOs to participate, and to ensure workforce outcomes can be realized.

2) Non-Energy Benefits; Health and Safety Upgrades; Cost-Effectiveness

Rising Sun wishes to emphasize the need stated in the Draft Report for “a fuller accounting of non-energy benefits” in low-income energy efficiency programs (p.30), and echoes the point that “undue emphasis on achieving cost effectiveness of those energy savings can be a barrier to accomplishing the goals of SB 350” (p.30). While the Draft Report states that health and safety are “the paramount goals; saving energy is a co-benefit of these programs” (p.30), program policies and customer incentives are not currently structured to reflect this. For example, health and safety upgrades may only be funded with weatherization dollars if those upgrades are incidental to the work that achieves energy savings.

Rising Sun encounters this issue directly in our California Youth Energy Services (CYES) program, which uses a youth employment model to provide direct install residential energy efficiency and water conservation services to local homes. CYES, which is partially funded by ratepayer dollars through local Energy Watch partnerships, is restricted from replacing incandescent lightbulbs that are burned out, the logic being that if the bulb isn't working, it isn't using any energy, and therefore, to replace it with even an energy-efficient bulb would be adding energy use to the home. This is particularly true with customers who are already facing a higher energy burden, as discussed in the Draft Report on page 3. This policy also leads to customer dissatisfaction and frustration.

The emphasis on cost-effectiveness also presents a barrier to providing the most energy-efficient technology to customers. For example, LEDs, though more energy-efficient than CFLs, are considered less cost-effective, and therefore, are disincentivized or restricted in many residential energy efficiency programs, including our own. This disproportionately affects low-income customers, who are less likely to choose to purchase newer and higher-cost items on their own, and therefore may be more likely to participate in a no-cost direct install program. Customers are also increasingly uninterested in programs that offer CFLs exclusively, and manufacturers are ceasing to produce CFL bulbs in favor of LEDs; yet, restrictions continue to remain in place due to the undue emphasis on cost-effectiveness and a lack of consideration of the true value of LED technology.

Recognizing and awarding credit for the various co-benefits of energy efficiency programs is important – whether it's including improvements in resident health, safety, and comfort; counting the number of local family-sustaining jobs created; the number of local, low-income residents hired; the increase in pay for local, low-income residents; the reduction in utility (both energy and water) costs; a calculator to determine the local economic impact of reduced utility costs based on a household's marginal propensity to consume; or other metrics that could improve the benefit-cost ratio utilities and other entities are held to.

3) Customer Uptake and Accessibility

Rising Sun agrees with the Draft Report's observations around Community Access Barriers, as well as Program and Policy Barriers. In particular, the multitude of programs and the differences in eligibility, in addition to the barriers around providing proof of eligibility, are issues that should be addressed along with trust, language diversity, and transaction costs. When considering potential solutions, Rising Sun encourages improving the accessibility, uptake, offerings, and utilization of existing programs and policy before adding new programs that may further confuse the market, unless such programs truly represent a new and untapped opportunity that will directly address the barriers identified in the Draft Report.

There are many deserving programs that, in being brought to scale, may address the barriers identified, as suggested on page 34. However, the point made that such scaling will "[increase costs to ratepayers]" (p. 34) is worth emphasizing, given the Draft Report's conclusions that low-income ratepayers already bear a disproportionately higher energy burden. If programs are to be scaled, it should not be at the expense of the low-income residents who already unduly struggle to bear those costs.

4) Eliminating Barriers: An On-the-Ground Example

Rising Sun's California Youth Energy Services (CYES) program, in operation since 2000, and now operating in six counties, is a direct install residential energy efficiency program that has been able to combat some of the barriers described in this study through its program design. CYES receives some CPUC ratepayer funds through five local Energy Watch partnerships. All direct install services are provided by local youth hired from the community.

While CYES is offered at no cost to any ratepayer within its service territory, it does target hard-to-reach customers, including renters, seniors, multifamily tenants, and non-native English speakers (in 2015, 73% of CYES customers lived in low-moderate income households). There are no eligibility requirements, and therefore, no application process or paperwork. All upgrades are non-structural, which means landlord permission is not required. Language barriers are addressed by hiring youth who represent the communities they serve, so that Green House Calls can be conducted in languages other than English if needed.

As a CBO, we've been able to build relationships with other agencies and organizations that allow us to offer integrated services, including energy efficiency measures, water conservation fixtures, city-specific recycling information, e-waste removal and recycling, and a basic solar assessment for single-family homeowners. In addition to helping residents directly save energy and water, and lower their utility costs, CYES trains and employs local youth from those communities and provides meaningful, paid, early employment in the green sector. Our status as a nonprofit CBO helps build customer trust as well.

There are other local, regional, and statewide programs, and certainly a wealth of workforce, education, and training organizations (see again *SB 350 Clean Energy Jobs & Economic Opportunities Comments and Recommendations*), who have successfully incorporated strategies such as those CYES employs to overcome the barriers mentioned in the Draft Report, and who would be worth continuing to examine and engage in this conversation.