

**DOCKETED**

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*Comment Received From: Enervee Corporation*  
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**Enervee Comments on the Equitable Building Decarbonization DI  
Program Draft Guidelines**

*Additional submitted attachment is included below.*



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California Energy Commission  
Dockets Office, MS-4  
Re: Docket Number 22-DECARB-03  
715 P Street  
Sacramento, CA 95814-5504  
Submitted via e-commenting portal for this docket

**RE: Enervee Comments on the Equitable Building Decarbonization DI Program Draft Guidelines (22-DECARB-03)**

Enervee is a California-based climate tech company that has been operating online marketplaces in the State since 2015. Our platforms eliminate barriers and empower Californians, including those in traditionally underserved customer segments, to buy decarbonization technologies and enroll in demand response programs in the course of natural replacement cycles. We have also begun providing a modern online delivery channel to scale implementation of no-cost direct install programs, such as the EmPower+ program in New York and would be happy to partner with EBP Administrators to offer such an online direct install program channel.

Following up on the informative Santa Rosa workshop on 6/12/2023, which we were fortunate to attend in person, Enervee is pleased to submit comments on the Draft Guidelines. The numbering corresponds to the document "Staff Questions to Guide Public Input..."

**5. Section E, Household/Property Eligibility** (pages 9-10) includes proposed income verification requirements for participating households. In establishing income verification requirements, the CEC seeks a balance between good stewardship of public funds and ensuring the program benefits its intended recipients while avoiding overly stringent requirements that create barriers to participation. Would you suggest changes to the proposed income verification requirements to better achieve this balance?

Yes. The CEC should allow another, more inclusive option for verification of income for single-family homes and renters, namely a method that relies on self-declared household income, verified with a plausibility check, based on census data.

- Approach: Self-attestation + fact-specific proxy. Fact-specific proxy allows jurisdictions to rely on an income proxy, such as income averages within a household's neighborhood or census tract, to infer an applicant's income.
- Method: Household income self-attestation would be checked against the EBD income limits for LI and MI. If income below LI or MI threshold, a real-time plausibility check against Census tract data would be performed (lookup based on customer address) as a form of income verification.
- Criteria (both criteria need to be met):
  - Self-declared income below HEEHRA household income threshold, based on HUD lookup for customer shipping address (80% of AMI for LI, 150% of AMI for MI)
  - Census tract income statistics are internally consistent with established limits, for example:
    - Property's Tract Median Family Income % does not exceed 80% for LI (use FFIEC.gov tool/data<sup>1</sup>).
    - Property's Tract Median Family Income % does not exceed 150% for MI (use FFIEC.gov tool)

Important: Tract Median Family Income is indexed to the corresponding MSA/MD/non-MSA/MD Median Family Income.

- Origin: This FFIEC approach was originally developed to assist financial institutions covered by the Home Mortgage Disclosure Act (HMDA) and Community Reinvestment Act (CRA) to meet their reporting obligations.
- Clean energy point-of-sale precedent: The California GoGreen Home Energy Financing program (which provides a loan loss reserve to cover loan defaults) relies on this fact-specific proxy method and FFIEC data (without income self-attestation) to determine whether a loan qualifies for a 20% loss reserve contribution. If the Property's Tract Median Family Income % (against MSA/MD/non-MSA/MD Median Family Income) does not exceed 120%, the loan is considered to have been issued to an LMI Borrower, and a 20% loss reserve contribution is provided (otherwise, the loss reserve contribution is 11%).

This is one form of geographical verification of self-declared income. The advantages of this approach are:

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<sup>1</sup> Here are links to the FFIEC.gov tool/data for reference:  
Mapping tool <https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx>  
Flat files <https://www.ffiec.gov/censusapp.htm>

- Inclusive – can be applied to all households (using tax records, for example, would not include the roughly 20% of people who don't file tax returns, a key target audience)
- Precedent – has been used in conjunction with State/Federal programs
- Simple and effective – provides definitive, real-time verification, with the only additional user input being self-declared income
- Flexible – can be readily applied by direct-install and point-of-sale rebate programs, such as the IRA Home Electrification & Appliances Rebates, which will need to work in tandem, including being able to support different income eligibility thresholds for different program components
- Robust – participants cannot game the system, as verification is based on census data.

A simpler approach would be to skip the self-attestation and just use the geo proxy approach on its own, as is done under the GoGreen Home Energy Financing program to determine the loan guarantee contribution percentage. Some LI/LMI energy efficiency programs have just used a simple geographical lookup. The geographies have been defined based on various definitions of LMI or DAC and allow for a simple address look-up of shape files or flat files of corresponding census or zip codes.

While we are commenting on the direct install guidance, having access to this geo-based method is particularly important to support a point-of-sale scenario, where instant verification is crucial for effectively influencing real-time buying decisions. This comes into play in thinking about how to layer EBD and other programs, such as the IRA point-of-sale Home Electrification & Appliances Rebates and EBD statewide incentives.

Some of the other options included in the Draft Guidelines may be practically challenging to implement. For example, how would the Administrator know if they have received pay stubs for “all working household members”? And how could the CEC control and enforce that?

Eventually, the CEC will need to specify what constitutes “proof” in the case of categorical eligibility via program participation. This could be addressed if the CEC were to provide API access to these state program databases for verification purposes. Development of APIs should be done in close collaboration with the private sector.

**10. Section A, Program Coordination and Incentive Layering** (page 18) describes a proposed approach to coordinate with other programs and leverage other funding sources. Staff welcome input on this approach.

Program Administrators should also provide information to participants on, or direct those deemed ineligible for the program to, opportunities for them to address their appliance and plug load energy consumption when making 1-off retail purchases. The CEC has called out the importance of online marketplaces to serve this need, including in the context of eliminating low-income and disadvantaged community barriers<sup>2</sup>, and such marketplaces can be an effective channel for EBD statewide incentives, IRA point-of-sale rebates and GoGreen Home Energy

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<sup>2</sup> [2019 California Energy Efficiency Action Plan](#), p. 24, p. 29, p. 73.

Financing microloans. Given that the vast majority of California's residential electric load is associated with these plug-in consumer products<sup>3</sup>, such cross-promotion can deliver added value to households, the grid and the planet, while ramping up electrification.

A statewide online marketplace can also be an effective delivery channel for the EBP direct install program. Enervee operates the statewide NY Marketplace and is partnering with NYSERDA to provide an online channel for the EmPower+ direct install program<sup>4</sup>, offering greater choice and flexibility for consumers, something that we would also like to see also be part of the EBP direct install program. We are [already set up as a channel for electrification rebates](#), such as the TECH Initiative and IRA point-of-sale rebates.

We are happy to provide further information or respond to questions that might arise – and are looking forward to contributing to an impactful EBD program.

Sincerely

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<sup>3</sup> [2019 Residential Appliance Saturation Study](#)

<sup>4</sup> [Enervee NY Marketplace launched. Empowering underserved New Yorkers to buy energy efficient appliances.](#)