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# **3C-REN Comments on Equitable Building Decarbonization Direct Install Program Draft Guidelines**

Additional submitted attachment is included below.

## TRI-COUNTY REGIONAL ENERGY NETWORK



SAN LUIS OBISPO . SANTA BARBARA . VENTURA

June 30, 2023
California Energy Commission
Re: Docket #: 22-DECARB-03
715 P Street
Sacramento, CA 95814

Dear Commissioners and Staff,

The Tri-County Regional Energy Network (3C-REN) is pleased to submit these comments as part of docket # 22-DECARB-03 Equitable Building Decarbonization Program to the California Energy Commission (CEC). The 3C-REN is a collaboration among three California Central Coast counties (San Luis Obispo, Santa Barbara and Ventura) established to deliver energy-saving and decarbonization programs, and industry trainings that help reduce energy use, strengthen local job markets, and support efforts to achieve climate goals. 3C-REN's locally-administered energy-saving programs and services are designed to address existing gaps in current programs, and to meet the needs of local government agencies, building professionals, and residents throughout the region. 3C-REN also strives to leverage our programs as a way to re-invest in our community as a whole, support historically underserved communities, and mitigate gaps and disparities caused by social inequality.

#### **Tenant Protections**

Renovation evictions are a serious concern for eligible households. The program must manage this risk carefully to avoid harming the community it aims to help. 3C-REN recommends prioritizing collaborations with Housing Authorities, to target deed restricted properties and ensure there are sufficient tenant protections in place. Jurisdictions with existing tenant protections and rent control ordinances should also be extended prioritized engagement by program administrators. This will ensure there are frameworks and tools in place to avoid unintentionally motivating property owners to raise rents, evict tenants or sell properties, thus reducing the availability of affordable housing.

#### Prevailing Wage Requirement: A Critical Step Toward Larger Goals

3C-REN supports the prioritization of implementers employing workers from local communities and sees the Equitable Building Decarbonization Direct Install Program as an opportunity to support high road jobs in addressing climate action.

Workforce support is not explicitly part of the program goals, but the Equitable Building Decarbonization Program will impact the workforce of 2030 and beyond. This is a clear opportunity to align with workforce equity action plans, regionally and statewide. 3C-REN specifically supports implementing, where feasible, a prevailing wage requirement. Wage and working standards benefit all workers and can be reasonably incorporated to ensure everyone benefits from the State's investment.

While establishing these standards may be new to some administrators, the time to do so is now. As outlined in "Putting California on the High Road: A Jobs and Climate Action Plan for 2030," "Intentionally or not, the agencies in charge of implementing climate policy—including the [CARB, CEC and CPUC] among others—affect the types of jobs that are created... Without deliberate efforts, the economic changes produced by climate policy may simply replicate deepseated economy-wide trends of persistent wage inequality and disparities by race and gender. Climate policy obviously cannot solve all the challenges of inequality, but the alignment of the State's climate and workforce action plans can contribute to solutions. "The report then goes on to outline multiple proven tactics to support aligning climate and workforce action plans, including requiring prevailing wages and community workforce agreements. The same report notes that higher standards do not raise costs as productivity improvements make up for higher wages and benefits.

Beyond creating a better working environment, these protections can also increase workforce knowledge. The Spring 2022, *Construction Sector Workforce Study* examined contractor feedback and found a "lack of importance and priority given to 'Understanding of energy efficiency and consumption<sup>2</sup>' skill. These results speak to the need for environmental literacy, as legislation will push regulations to prioritize energy efficient and sustainable building techniques for the construction sector." By ensuring that a more diverse worker population is employed through the program, the CEC can broaden the reach of decarbonization understanding and skills.

To advance economic justice, and equitable work opportunities, practices should be used to prioritize job access for low-income workers, workers of color, and workers in environmental justice and underserved communities. We collectively have a responsibility to leverage possible ways of providing "high road" job entry opportunities, and this program is an obvious starting place.

#### Recommended Adjustments to the Eligible Measures List

3C-REN makes the following suggestions on the eligible measures list for consideration.

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<sup>&</sup>lt;sup>1</sup> June 2020, <u>Putting California on the High Road: A Jobs and Climate Action Plan</u> for 2030 at p. 66.

<sup>&</sup>lt;sup>2</sup> Spring 2022, Centers of Excellence for Labor Market Research, *Construction Sector Workforce Study*, at p. 26.

- Offer a follow-up preventative maintenance visit to qualified buildings. As an example, schedule
  a maintenance visit six months after installation (in the opposite season) to ensure equipment is
  continuing to operate optimally, maximize program value for participants, and increase
  persistence of energy savings.
- Consider a dynamic approach to the per-home electrical and remediation cost cap to help
  manage program uptake. Per home cost cap of \$5,000 for low income and \$3,000 for moderate
  income may be too low to accommodate some of necessary work to accommodate
  decarbonization measures. We recommend a cap be considered after initial program data is
  collected based on participation and program uptake.

### Feedback on Draft Guidelines

3C-REN submits the following comments on the draft guidelines:

- Administrators shall prioritize coordination with regional energy networks and utilities that are serving similar target audiences. This improves program delivery and in the case of workforce development allows growth opportunities for direct installation technicians to pursue contractor training, accreditation and licensing opportunities.
- Pursue and maximize opportunities to tie-in data analyzation and visualization with other
  decarbonization investments via additional funding streams including Solar on Multifamily
  Affordable Housing and TECH Clean California (inclusive of the self-generation incentive
  program). Statewide aggregated publicly accessible data is key to informed and data-driven
  policy and program design decision making. This in turn supports scaling by way of identifying
  program elements that may maximize from greater future investments.
- Maximize distributor and contractor engagement opportunities via existing local, regional and Statewide programs.
- Maintain the current eligibility requirements for mobile home parks. In 3C-REN region, many
  mobile home communities exist in areas that may not be in a larger disadvantaged eligibility
  area, but still house many people who can benefit from the program. This streamlined mobile
  home park eligibility reduces barriers to entry.
- Ensure that the program has discrete program areas for single-family and multifamily properties. Although many programs have offered programs for these audiences under one umbrella, the two audiences are very different and require different outreach approaches and program support.
- Multifamily building income eligibility should be aligned with other programs to facilitate
  program layered delivery. The current threshold of 66% of households earning less than 80%
  area median income might prove to be too high for some regional programs. Additionally,
  collecting this information for all units in a multifamily building would be an administrative

burden. This requirement could be waived for designated affordable housing, or any other housing where there is a reasonable assumption that residents would meet this threshold.

3C-REN appreciates the opportunity to provide input and thanks the CEC for considering these comments.

Sincerely,

Alejandra Téllez

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