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California Public Utilities Commission Adaptation OIR (R.18-04-019): Background Memo for the Topic 4 Working Group: Defining Vulnerable and Disadvantaged Communities

Background

This memo is drafted in support of the California Public Utility Commission's Order Instituting Rulemaking (OIR) R.18-04-019, specifically in reference to Topic 4: Vulnerable and Disadvantaged Communities. The purpose of the OIR is to provide guidance to investor-owned electric and gas utilities on how to incorporate climate adaptation into their planning and operations. The OIR will broadly consider how best to integrate climate change adaptation into the larger investor-owned electric and gas utilities' planning and operations to ensure safety and reliability of utility service.

The first phase of the rulemaking addresses five key topics:

1. Definition of climate adaptation for utilities
2. Appropriate data sources, models, and tools for climate adaptation decision-making
3. Guidelines for utility climate adaptation assessment and planning
4. Identification and prioritization of actions to address the climate change related needs of vulnerable and disadvantaged communities;
5. Framework for climate-related decision-making and accountability.

The CPUC is convening sequential working groups that provide recommendations for each of the topics above. The working group for Topic 4 is tasked with developing "recommendations on how to identify and prioritize investments and other activities that address the needs of vulnerable and disadvantaged communities as related to climate change impacts."¹ To accomplish this charge, the working group will need to develop definitions for both "vulnerable" and "disadvantaged" communities in the context of climate adaptation.

The initial working group meeting for Topic 4 is scheduled for March 25, 2019 from 1-3pm at the California Energy Commission in Sacramento, CA. There will be a WebEx option and call-in number for the meeting:

Event number: 929 144 916

Event password: This event does not require a password.

Event address for attendees:

<https://energy.webex.com/energy/onstage/g.php?MTID=e73900e2c9cb92b493f15172b436e9ef0>

To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code.

Call-in toll-free number (US/Canada): 1-866-469-3239

Call-in toll number (US/Canada): 1-650-429-3300; Access code: 929 144 916

The second meeting for Topic 4 will be in May, and will cover the following topics:

¹ Assigned Commissioner's Scoping Memo and Ruling, Filed 10/10/18. Order Instituting Rulemaking to Consider Strategies and Guidance for Climate Change Adaptation. R.18-04-019. p.7

- How should utilities and the Commission include these communities in their efforts to identify and prioritize climate adaptation investments?
- How should investments and other activities benefitting these communities in the context of climate change impacts be identified and prioritized?

In this memo we will provide background on existing definitions for both terms, then provide proposals for both terms in the context of this proceeding and discussion questions that will be used to facilitate the discussion at the working group meeting on March 25th.

While there are no statutory definitions of “vulnerable communities” in an adaptation context, there are existing programmatic definitions that may be relevant. Additionally, there are a number of existing definitions of disadvantaged communities (DACs) used to inform programmatic and funding decisions throughout California, including a number of definitions established in state law (see Appendix B). Many of these definitions were developed to inform state programmatic and funding decisions focused on reducing greenhouse gas emissions. While these definitions provide a useful starting point to inform the Topic 4 working group’s deliberations, it should be noted that the existing definitions in state statute may or may not provide specificity to identify disadvantaged communities in a climate adaptation context.

Summary - Existing Definitions of Vulnerable Communities

While there are a number of statutory definitions of “disadvantaged communities,” there is currently no legislative direction in California on “vulnerable communities” in a climate adaptation context. There are, however, a growing number of public sector efforts to assess and adapt to climate impacts. For example, Executive Order B-30-15 requires all state agencies to incorporate climate into all planning and investment decisions; the Executive Order also includes a series of guiding principles, one of which is: “actions should protect the State’s most vulnerable populations”. However, the terms “protect” and “vulnerable populations” are not defined.

There is also a large body of literature that explores and defines climate vulnerability. The leading international body on climate change, the Intergovernmental Panel on Climate Change (IPCC), defines vulnerability as:

“The propensity or predisposition to be adversely affected. Vulnerability encompasses a variety of concepts and elements including sensitivity or susceptibility to harm and lack of capacity to cope and adapt.”²

Building off of this definition, the Technical Advisory Council (TAC) for the Integrated Climate Adaptation and Resiliency Program (ICARP) within the California Governor’s Office of Planning and Research (OPR), developed and adopted a definition of “Vulnerable Communities in an Adaptation Context.” While this definition is not specific to a utility context, it outlines the underlying components that contribute to climate vulnerability. The definition is:

“Vulnerable communities experience heightened **risk** and increased **sensitivity** to climate change and have less **capacity** and fewer resources to cope with, adapt to, or recover from climate impacts. These disproportionate effects are caused by physical

² Working Group II Contribution to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, p. 5. https://www.ipcc.ch/site/assets/uploads/2018/02/WGIIAR5-PartA_FINAL.pdf

(built and environmental), social, political, and/ or economic factor(s), which are exacerbated by climate impacts. These factors include, but are not limited to, race, class, sexual orientation and identification, national origin, and income inequality.”
[Emphasis added]

The IPCC defines three key components that contribute to vulnerability in a climate adaptation context:

1. Risk: “The potential for consequences where something of value is at stake and where the outcome is uncertain, recognizing the diversity of values. Risk is often represented as probability of occurrence of hazardous events or trends multiplied by the impacts if these events or trends occur.”³
2. Sensitivity: “The degree to which a system or species is affected, either adversely or beneficially, by climate variability or change. The effect may be direct (e.g., a change in crop yield in response to a change in the mean, range, or variability of temperature) or indirect (e.g., damages caused by an increase in the frequency of coastal flooding due to sea level rise).⁴
3. [Adaptive] Capacity: “The ability of systems, institutions, humans, and other organisms to adjust to potential damage, to take advantage of opportunities, or to respond to consequences.”⁵

While there can be differences in terminology across disciplines, these three components, as concepts, are generally consistent in vulnerability research.

The California Department of Forestry and Fire Protection recently submitted the Community Wildfire Prevention and Mitigation Report to the Governor’s Office in response to Executive Order N-05-19. The report recommends immediate, medium, and long-term actions to help prevent destructive wildfires, with a focus on California’s most vulnerable communities. In order to identify vulnerable communities, CAL FIRE conducted a socioeconomic analysis and a wildfire risk analysis. CAL FIRE’s creation of a definition for “vulnerable communities” includes a focus on risk, sensitivity, and capacity. The Socioeconomic Factors that CAL FIRE identified to represent populations at risk to wildfire impacts are:

- Families in poverty (% of families in the census tract living below the poverty line)
- People with disabilities (based on self-reporting)
- People that have difficulty speaking English (% of people in census tract estimated to have difficulty speaking English)
- People over 65
- People under 5
- Households without a car

Proposal - Proposed Definition of Vulnerable Communities and Discussion Questions

Below is a draft definition for the Topic 4 working group to discuss at the initial working group meeting. The definition is intended to serve as the starting point for stakeholder feedback and discussion. This definition is a modified version of the ICARP TAC definition, which also reflects the concepts included in the IPCC definition. This definition is a useful starting point because it provides a framework to define

³ IPCC, 2014: Climate Change 2014: Impacts, Adaptation, and Vulnerability, Annex II, Glossary, p. 1772, https://www.ipcc.ch/site/assets/uploads/2018/02/WGIIAR5-AnnexII_FINAL.pdf

⁴ Ibid, pp. 1772-1773.

⁵ Ibid; p. 1758. The IPCC definition provided above is for the term “adaptive capacity”. The ICARP Technical Advisory Council elected to shorten this to “capacity” for readability and language accessibility reasons, but the intent was to address the concept outlined in the IPCC definition.

communities that are vulnerable to climate change impacts. It is consistent with the other definitions of vulnerability used by the State, including the Governor’s Office of Planning and Research and CAL FIRE.

Proposed Definition:

Vulnerable communities experience heightened risk and increased sensitivity to climate change and have less capacity and fewer resources to cope with, adapt to, or recover from climate impacts. These disproportionate effects are caused by physical (built and environmental), social, political, and/ or economic factor(s), which are exacerbated by climate impacts. (ICARP TAC “Vulnerable Communities in an Adaptation Context”).

Discussion questions:

- Is this the right definition for application to the electric and natural gas sectors?
- Does it include all the most important components?
- Are there parts of the proposed definition that need to be defined, such as the definition of “community”?
- Are there critical socio-economic or demographic factors that should be included in the definition and should they be weighted?

Summary - Existing Definitions of Disadvantaged Communities

Many, but not all, of the commonly used definitions of “disadvantaged communities” in California are tied to the legislative definitions that guide State Cap-and-Trade investments. Through Senate Bill (SB) 535⁶ and Assembly Bill (AB) 1550⁷ the California Environmental Protection Agency (CalEPA) is responsible for identifying disadvantaged communities for purposes of the Cap-and-Trade funding program. CalEPA designated as disadvantaged communities the top 25% of highest scoring census tracts using results of the California Communities Environmental Health Screening Tool (CalEnviroScreen).⁸ CalEnviroScreen determines disadvantaged communities based on geographic, socioeconomic, public health, and environmental hazard criteria (Health and Safety Code Section 39711), with specific focus on identifying the most pollution-burdened and vulnerable communities.

In 2016, AB 1550 also created new investment requirements for disadvantaged communities and created new requirements for low-income communities and households. Health and Safety Code Chapter 369, section 39713 states:

“Low-income communities” are census tracts with median household incomes at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low-income by the Department of Housing and Community Development’s list of state income limits adopted pursuant to Section 50093.⁹

⁶ Health and Safety Code, Chapter 830, Statutes of 2017

⁷ Health and Safety Code Chapter 369, Statues of 2016

⁸ CalEPA, Designation of Disadvantaged Communities Pursuant to Senate Bill 535 (De León), April 2017. Access on February 28, 2019. <https://calepa.ca.gov/wp-content/uploads/sites/6/2017/04/SB-535-Designation-Final.pdf>

⁹ <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

Given the intention of the legislation – reducing greenhouse emissions – the nexus of this definition is to identify and prioritize investments for communities disproportionately affected by environmental pollution tied to greenhouse gas emission sources.

The CPUC uses the term “disadvantaged communities” in several programs and proceedings. It is often, but not always, defined consistently with CalEPA’s definition. One example where the CPUC uses a variation of this definition is the Green Tariff program¹⁰ which uses the top 20% of ranked census tracts. Another example is IOU transportation electrification programs, where the utilities can consider the 25% highest burdened census tracts on either a state-wide basis, or service-territory wide basis. Still another is San Joaquin Valley “disadvantaged communities”, which under PUC 783.5, seeks to provide affordable energy, defines disadvantaged communities as areas with:

- at least 25% of residential households with electrical service enrolled in CARE
- a population greater than 100 persons within its geographic boundaries
- located no further than seven miles from the nearest natural gas pipeline operated by a gas corporation
- located in one of the eight San Joaquin Valley Counties

Pursuant to SB 350 (2015) and codified in Public Resources Code Section 400, the CPUC and the California Energy Commission established a “...disadvantaged community advisory group consisting of representatives from disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code. The Disadvantaged Communities Advisory Group (DAC AG) adopted an “equity framework” to guide its deliberations. The equity framework broadens the definition of disadvantaged communities as established by Health and Safety Code Section 39711 to also include:

- Tribal lands
- Census tracts with area median household incomes less than 80% area or state median income
- Households with income less than 80% of Area Median Income (AMI)

The Environmental and Social Justice (ESJ) Action Plan, which was adopted by the CPUC on February 22, 2019, references the expansive Disadvantaged Communities Advisory Group definition of “disadvantaged communities” for its definition of “Environmental and Social Justice Communities,” which would broadly apply to CPUC authority to serve “disadvantaged” and “vulnerable” ratepayers, in all industries regulated by the CPUC, including water, telecommunications, and transportation.

While these definitions are generally rooted in the definition established in SB 535, over time they have expanded to address additional factors of disadvantage within a climate mitigation context, which are important for identifying vulnerable communities in an adaptation context. However, these definitions do not provide sufficient clarity and guidance to identify climate vulnerable communities, most notably because (1) the definitions and corresponding screening tools do not incorporate climate impact and exposure data and (2) they do not capture the full suite of indicators needed to identify communities vulnerable to climate impacts. They also do not provide a full picture of the capacity considerations that contribute to climate vulnerability, highlighting the need to adopt both a definition for disadvantaged and vulnerable communities.

See Appendix B for additional definitions.

¹⁰ Public Utilities Code, Section 2833(d)(1)(A)

Proposal – Proposed Definitions of Disadvantaged Communities and Discussion Questions

Below is the proposed definition for disadvantaged communities for the Climate Change Adaptation OIR. Many of the CPUC's existing proceedings define disadvantaged communities as the 25% highest scoring census tracts according to CalEnviroScreen. In an effort to be consistent with existing Commission practice, staff proposes using CalEnviroScreen top 25% as a starting point for the definition of disadvantaged communities. CalEnviroScreen, however, is just one tool available to identify communities that are disadvantaged. Staff proposes expanding the definition of disadvantaged communities in order to include low-income communities in California that are not captured by CalEnviroScreen.

- 25% highest scoring census tracts according to the California Communities Environmental Health Screening Tool (CalEnviroScreen).
- Tribal lands
- Census tracts with median household incomes less than 80% area or state median income

Discussion questions:

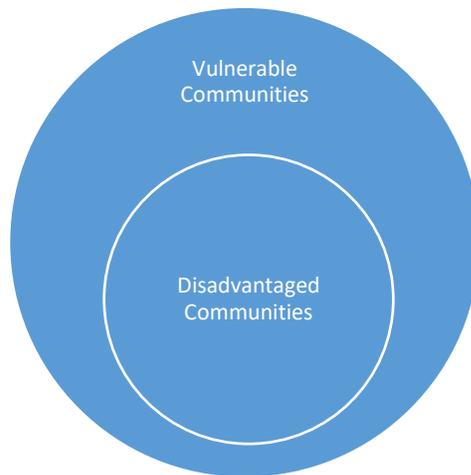
- Does the proposed definition miss any key factors or considerations?
- Does it help distinguish DACs in a way that will help the CPUC meet the goals of this proceeding?

Discussion – Different Conceptual Models of the Relationship Between DACs and VCs

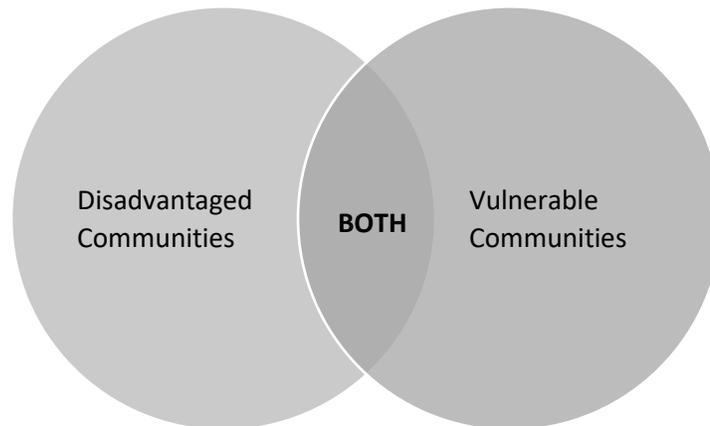
The purpose of Topic 4 in the OIR is to develop recommendations on how to identify and prioritize investments and other activities that address the needs of vulnerable and disadvantaged communities as related to climate change impacts. In order to develop such recommendations, it is first necessary to define what we mean by “vulnerable” and “disadvantaged” and to explore the relationship between those definitions.

All communities in California will need to adapt to climate change (to some degree), however, some communities are more climate vulnerable and have a greater risk of exposure and sensitivity to certain climate impacts (e.g. coastal and delta communities and sea level rise, forested communities and wildfire). In addition, some communities and populations may be disproportionately affected by climate change as a result of existing disparities that cause multiple, compounding stressors that reduce adaptive capacity. Therefore, the concept of vulnerability might be understood as a spectrum, with “disadvantaged” factors contributing to heightened vulnerability. The factors that result in a community being defined as disadvantaged - per the proposed definition set forth earlier in this memo - may also make a community more vulnerable to climate change. While the definitions of vulnerable communities and disadvantaged communities are distinct, it is important for this working group to discuss how disadvantaged factors may result in increased vulnerability and might be considered during the prioritization of utility investments and other activities.

There are many ways to represent the complex relationship between these two terms. The diagram below displays the concept that all disadvantaged communities are vulnerable to climate change, but that there are some communities that are vulnerable to climate change but are not disadvantaged.



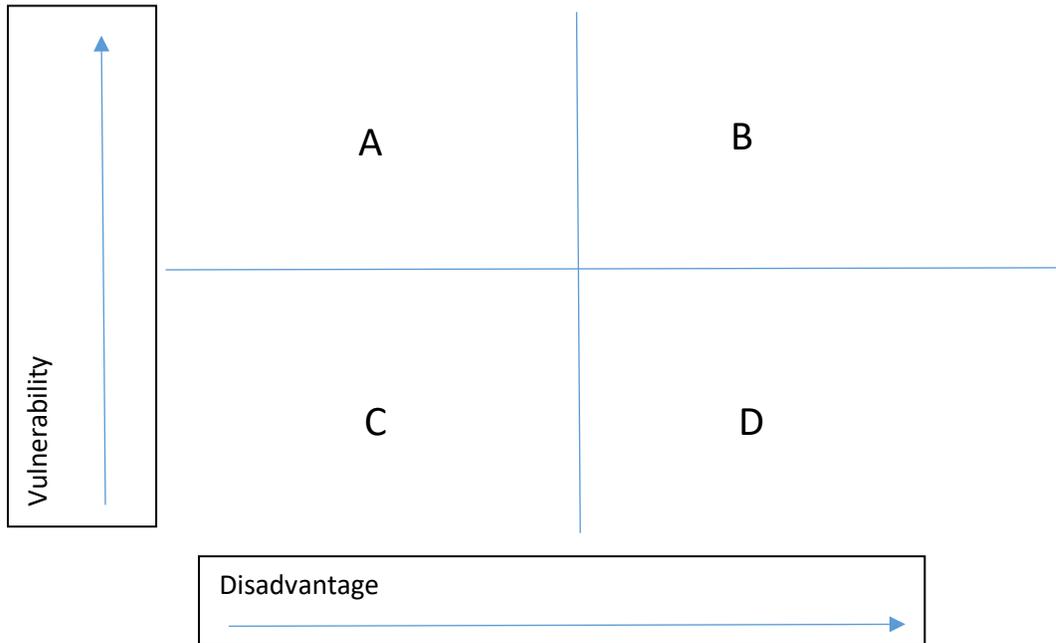
The following diagram offers another possibility - that there are instances of overlap, where communities are both disadvantaged and vulnerable, but that not all disadvantaged communities are also vulnerable to climate change.



The graph below also represents the relationship between climate vulnerability and disadvantage, with the added layer of demonstrating vulnerability and disadvantage as a spectrum. This representation seeks to show the concept that there are varying levels of both vulnerability and disadvantage. CalEnviroScreen is, by definition, a spectrum, since census tracts are ranked in order from least disadvantaged to most disadvantaged. In the figure below, Community A would be a community in the 25th percentile as measured by CalEnviroScreen (bottom 25%), while Community B would be in the 75th percentile, or top 25% of disadvantaged communities in the State. Likewise, climate vulnerability is variable, and based on varying levels of risk, sensitivity, and adaptive capacity, a community can be more or less vulnerable.

Imagine that Points A and B are communities on the coast, and they are similarly at risk to rising sea levels. Community B is in the top 25% of disadvantaged communities, while Community A is not. Community A is still vulnerable because they experience the same risks and sensitivity to rising sea levels. However, Community A is less vulnerable because they are a higher-income community, and

most likely have a higher adaptive capacity due to increased access to mobility and financial ability to afford temporary housing.



Discussion Questions:

- Do you agree or disagree that climate vulnerability is a spectrum, in the way that disadvantage is a spectrum?
- Is it possible to be disadvantaged and not climate vulnerable, or does being disadvantaged automatically make a community vulnerable (at least somewhat) to climate change?

Conclusion

This memo has summarized the existing definitions of vulnerable and disadvantaged communities and has proposed definitions for the working group to consider and discuss. While staff has proposed definitions for vulnerable and disadvantaged communities, we want to hear from participants at the meeting about their perspective on the definitions and the relationship between the two categories.

Appendix A: Existing definitions of Vulnerable Communities in an Adaptation Context

The existing state definitions primarily focus on identifying Environmental Justice and low-income communities, which are important considerations when identifying vulnerable communities in an adaptation context. However, these definitions do not provide sufficient clarity and guidance to identify vulnerable communities in an adaptation context, most notably because (1) the definitions and corresponding screening tools do not incorporate climate impact and exposure data and (2) they do not capture the full suite of factors needed to identify communities vulnerable to climate impacts. Recognizing this gap, the Technical Advisory Council for the Integrated Climate Adaptation and Resiliency Program (ICARP) in the Governor’s Office of Planning and Research (OPR), developed the following definition of Vulnerable Communities in an adaptation context:

- **ICARP TAC Definition:**

- “Climate vulnerability describes the degree to which natural, built, and human systems are at risk of exposure to climate change impacts. Vulnerable communities experience heightened **risk** and increased **sensitivity** to climate change and have less **capacity** and fewer resources to cope with, adapt to, or recover from climate impacts. These disproportionate effects are caused by physical (built and environmental), social, political, and/or economic factor(s), which are exacerbated by climate impacts. These factors include, but are not limited to, race, class, sexual orientation and identification, national origin, and income inequality.”

After the TAC’s adoption of this definition, OPR developed a resource guide for practitioners¹¹ to use when first considering how to define vulnerable communities in an adaptation context. This guide includes a summary of publicly accessible statewide tools and data sets that, when overlaid with climate projection data, can identify vulnerable communities.

- The Resource Guide also identifies additional indicators that could be useful for identifying vulnerable communities, but are not yet available in state-wide models or tools. These include the following indicators that deal specifically with public and private utilities:
 - Telecommunications - availability and access (phone, cable, broadband, etc)
 - Households with water/electricity shut offs in last 12 months
 - Household that have never been connected to the electricity grid
 - Households reliant on well-water
 - Reliance on wood-based heat
 - Households & businesses with independent power generation/storage capacity
- The **California Department of Forestry and Fire Protection (CAL FIRE)** submitted the Community Wildfire Prevention and Mitigation Report to the Governor’s Office in response to Executive Order N-05-19. The report recommends immediate, medium, and long-term actions to help prevent destructive wildfires, with a focus on California’s most vulnerable communities. In order to identify vulnerable communities, CAL FIRE conducted a socioeconomic analysis and a wildfire

¹¹ Defining Vulnerable Communities in the Context of Climate Adaptation, A resource guide developed through the Integrated Climate Adaptation and Resilience Program (ICARP), with guidance from the ICARP Technical Advisory Council (2018) http://opr.ca.gov/docs/20180723-Vulnerable_Communities.pdf

risk analysis. The Socioeconomic Factors that CAL FIRE identified to represent populations at risk to wildfire impacts are:

- Families in poverty (% of families in the census tract living below the poverty line)
- People with disabilities (based on self-reporting)
- People that have difficulty speaking English (% of people in census tract estimated to have difficulty speaking English)
- People over 65
- People under 5
- Households without a car

CAL FIRE used data from the American Community Survey and the California Building Resilience Against Climate Effects Project.

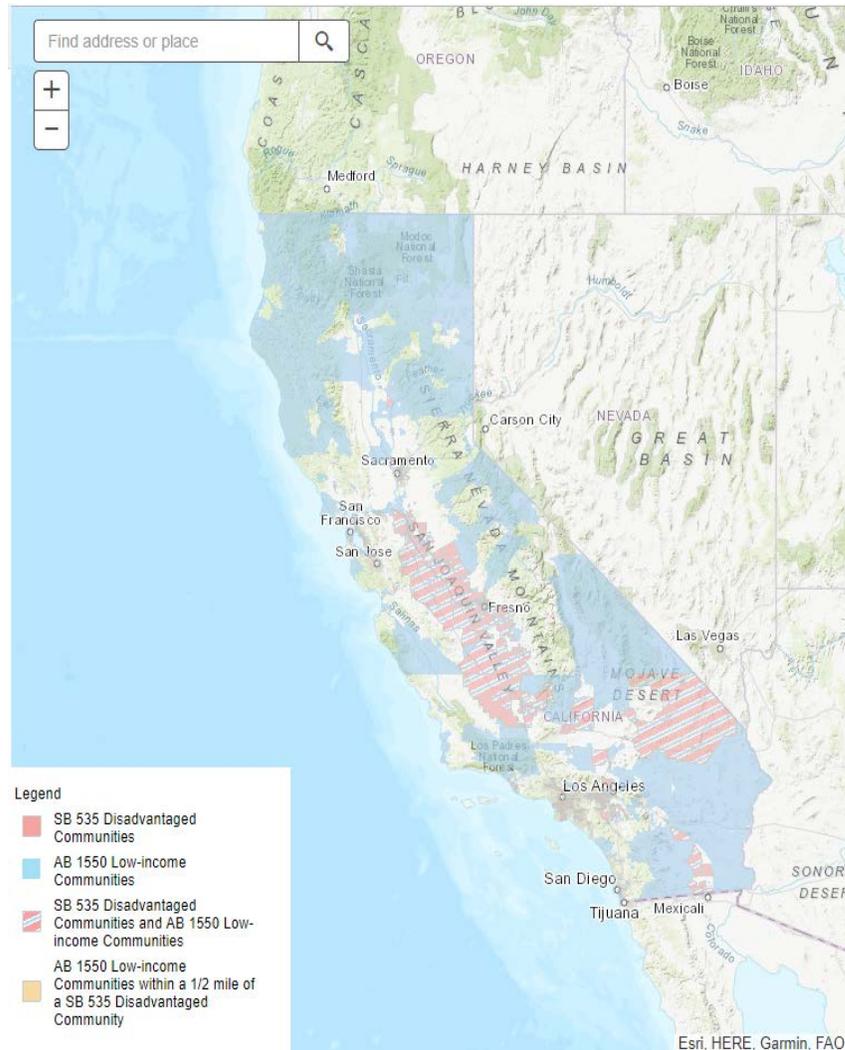
- Other factors or considerations to understanding climate vulnerability include, but are not limited to:
 - Communities without access to transit/transportation
 - Geographical isolation
 - Homelessness
 - Community adaptive capacity, including number and capacity of community organizations
 - Health/medical conditions

Appendix B: Existing Definitions of Disadvantaged Communities

The following list provides the most relevant definitions of Disadvantaged Communities (DACs) found within California State Law, as well as other commonly used definitions. (This is not intended to be a comprehensive inventory of all definitions, but a snapshot of commonly referenced definitions.):

- **SB 535 (2012, de Leon)** introduced CalEnviroScreen (CES) and directs 25% of proceeds from that State’s Cap-and-Trade Program (California Climate Investments) to projects that provide benefit to DACs.
 - Health and Safety Code Section 39711 identifies DACs in an environmental context based on geographic, socioeconomic, public health, and environmental hazard criteria.
 - CalEnviroScreen 3.0 is a screening tool that identifies communities most affected by and vulnerable to the effects of many sources of pollution and population-based disparities. It aggregates state-wide environmental, health, and socioeconomic information to produce scores for every census tract in the state. A census tract with a high score is considered more disadvantaged than a community with a low score as a result of pollution burden and population characteristics.
- **AB 1550 (2016, Gomez)** introduced additional cap-and-trade spending requirements that benefit low-income communities, in addition to the spending requirements for DACs established through Health and Safety Code 39711.
 - Health and Safety Code section 39713 states: “Low-income communities” are census tracts with median household incomes at or below 80 percent of the

statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development’s list of state income limits adopted pursuant to Section 50093.”¹²



AB 535 and AB 1550 Map of Disadvantaged and Low-Income Communities

<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>

- **SB 1000 (2016, Leyva)** requires local governments with DACs to develop an environmental justice element to their general plan. SB 1000 provides reference to the DAC definition established by Health and Safety Code 39711 (SB 535), but also allows local jurisdictions to develop and use alternate locally established definitions and screening tools.
 - Health and Safety Code Section 65302 Bill language: “Disadvantaged communities” means an area identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code or an area that is a low-

¹² <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation.

It is important to note that SB 1000 does not include a statutory requirement for local governments to incorporate climate adaptation considerations in the environmental justice element of a general plan. SB 379¹³ requires local jurisdictions to consider climate change in the safety element, but there is no statutory requirement requiring the Environmental Justice Element to also incorporate climate change.

- **SB 1072 (2018, Leyva)** establishes the regional climate collaborative program under the Strategic Growth Council (SGC). The program is intended to assist under-resourced communities access statewide public and other grant moneys for climate change mitigation and adaptation projects.
 - “Under-resourced Community” is defined in the legislation to include: Health and Safety Code Section 39711 (SB 535) CalEnviroScreen Top 25% Disadvantaged Communities; Health and Safety Code Section 39713, Subdivision (d) (AB 1550) Low Income & Buffer Communities; and Health and Safety Code Section 75005, Subdivision (g), Median Household Income less than 80% of statewide average
 - SB 1072 includes the additional median household income factor.

- **Proposition 84** created the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. Prop 84 authorizes general obligation bonds to fund safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution contamination control, state and local park improvements, public access to natural resources and water conservation efforts. The Prop 84 DAC definition intends to prioritize water quality projects that address and serve small communities with limited financial resources, DACs, and severely disadvantaged communities.
 - Public Resources Code section 75005: (g) “Disadvantaged community” means a community with a median household income less than 80% of the statewide average. The Act further defines “Severely disadvantaged community” as communities with a median household income less than 60% of the statewide average.

- **Proposition 1** created the Water Quality, Supply, and Infrastructure Improvement Act of 2014, which authorizes general obligation bonds to fund ecosystems and watershed protection and restoration, water supply infrastructure projects, including surface and groundwater storage, and drinking water protection. Prop 1 (AB 1741), established a definition for Economically Distressed Areas (EDAs), for the purpose of waiving or reducing a local cost share for projects that directly benefit disadvantaged or economically distressed communities.

¹³ Senate Bill 379 (Jackson, Chapter 608, Statutes of 2015)

- Public Resources Code section 79702: (k) “Economically distressed area” means: a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department:
 - (1) Financial hardship.
 - (2) Unemployment rate at least 2 percent higher than the statewide average.
 - (3) Low population density.
- The CPUC uses the term “disadvantaged communities” in several programs and proceedings.
 - It is often, but not always, defined consistently with CalEPA’s definition, (25% highest burdened census tracts using 20 social, and environmental health, indicators included in CalEnviroScreen).
 - The CPUC and CEC Disadvantaged Community Advisory Group’s definition of Disadvantaged Communities is: “As defined in the Energy Equity Indicators tool, the Disadvantaged Communities Advisory Group (DAC AG) will adopt as the definition and advocate for equitable programming to reach all of the following communities (including community residents, workers, and businesses):
 - CalEnviroScreen, as defined by Cal EPA,
 - Tribal Lands,
 - Census tracts with area median household income/state median income, less than 80%, and
 - Households with median household income less than 80% of Area Median Income (AMI).”¹⁴

(Note: The CPUC has not adopted the DAC AG’s definition of disadvantaged communities)

¹⁴ Environmental and Social Justice Action Plan, February 21, 2019.
http://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Energy/EnergyPrograms/Infrastructure/DC/Env%20and%20Social%20Justice%20ActionPlan_%202019-2-19.pdf