

The Community Action Partnership of Oregon
Covid-Workshop #3

CAPO Recommendations For Energy Efficiency

Strategically increasing investments in energy efficiency can help mitigate disproportionate economic burdens, as low-income Americans, on average, spend a high percentage of their income on electricity. Specifically, households with incomes below 150 percent of the federal poverty level that heat with electricity spend on average 12 percent of their income on electricity—double the amount commonly considered “affordable,” and four times the average across electric-heating households of all incomes. Programs that seek to help low-income communities can particularly benefit people of color. In 2016, one-third of both African-Americans and Hispanic Americans had incomes below 150 percent of the federal poverty level, compared to only 15 percent of white Americans. Additionally, in 2009 more than 11 percent of African American-headed households with incomes below 150 percent of the federal poverty level faced utility shutoffs, compared to less than six percent of white-headed households. Targeted energy efficiency measures can reduce low-income families’ economic burden—a burden that more often encumbers people of color—by reducing utility bills by hundreds of dollars each year.

Data

Stakeholders need targeted data that shows 30, 60, 90 arrears by zip code. CAPO and the ETO will be able to use zip code-level data to target historically disadvantaged areas for weatherization and energy efficiency improvements. By combining zip code-level data with census data, targeted outreach can be done on areas experiencing higher arrears.

Bulk Fuel Removal

Low-income energy efficiency services should be focused on high-energy users and vulnerable households in order to maximize energy and cost savings and deliver equitable benefits. Using data to identify and target high-energy users allows energy efficiency providers to achieve greater energy savings. Because households with high energy use often bear greater energy cost burdens, targeting these households may also increase affordability. Bulk Fuel costs have been rising and will continue to rise. These households can spend as much as twice the cost of an Electric or gas-heated home. The Commission should move quickly to review current incentives that can be used for switching to cleaner and more affordable energy sources.

Non-Energy Benefits

Non-energy benefits, including health, environmental, and economic benefits, should be included in cost benefit analyses through an “adder” or other quantification. Several jurisdictions, including Colorado, Washington D.C., New Mexico, and Vermont, employ non-energy benefit adders of up to 30 percent for low-income efficiency programs. The commission should revisit the value of non-energy benefits.