



## Operation Fuel comments on DEEP's draft Integrated Resource Plan February 17, 2021

### Section 1: Introduction, Scope, Lens of Operation Fuel & IRP Comments

Operation Fuel ensures equitable access to energy for all by providing year-round energy assistance, promoting energy independence, and advocating for affordable energy. Operation Fuel partners with local government and community-based organizations throughout Connecticut to ensure that families and individuals in need have access to year-round utility and water assistance. Since 2015, our emergency assistance funds have received about \$2.1M annually from the ratepayer funded Systems Benefit Charge. We serve diverse Low- and Moderate-Income (LMI) households from every municipality in our state, with client incomes ranging from 60-75% of the State Median Income (SMI). The country's first fuel bank, Operation Fuel was founded in the late 1970s to help struggling families heat their homes. Since then, we have added programs to address our clients' cost burdens for electricity, gas, and water. Additionally, we offer assistance for home equipment repair/ replace, and homelessness intervention.

From the beginning, Operation Fuel's core mission is to address our clients' urgent needs for access to heat, light, and water. Additionally, we advocate for our clients in administrative, regulatory, and legislative arenas, sharing their lived experiences with policymakers who would not otherwise hear these stories. As such, Operation Fuel has a unique perspective that bridges the environmental movement that's worried about "the end of the world," with LMI communities that more urgently face "the end of the week."

In 2019, Gov. Lamont named Operation Fuel Executive Director Brenda Watson to the Governor's Council on Climate Change (GC3). In addition to co-chairing the Mitigation subcommittee on building energy, Ms. Watson chairs the Low Income Energy Advisory Board, which develops the state's plan to spend federal heating assistance (LIHEAP) in conjunction with the Department of Social Services (DSS), the Office of Policy & Management (OPM), and the Department of Energy & Environmental Protection (DEEP). In 2017, [Operation Fuel commissioned a study](#) from economist Roger Colton; and [another from APPRISE](#); each describes excessive energy burden faced by LMI communities. In 2020 we collaborated with researchers at VEIC and the CT Green Bank to assess [housing, energy, and transportation burden in CT](#)<sup>1</sup>. Operation Fuel is a member of the National Energy & Utility Assistance Coalition (NEUAC), which organizes and informs advocates nationwide on how to best leverage LIHEAP and other energy assistance in the states. In 2019, Ms. Watson joined CT's Energy Efficiency Board (EEB), which manages the state's conservation and load management programs. In recent years the

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<sup>1</sup> Please visit <https://operationfuel.org/about/financialsreports/> for these and other policy reports on energy affordability.

board has particularly focused on LMI consumers. Additionally, Ms. Watson serves as a director for the board of the CT Green Bank. As the Public Utilities Regulatory Authority (PURA) leads our state to modernize the electric grid, Operation Fuel has participated in several dockets regarding clean energy and energy affordability, including 17-12-03RE01 and 20-03-15.

We acknowledge with gratitude our coalition thought partners, who broaden and deepen our understanding of complex energy issues on a regular basis. In addition to the aforementioned groups, these advocates include Acadia Center, American Lung Association, CT Green Building Council, GC3, Clean Energy Network, Clean Water Action, Efficiency for All, the Nature Conservancy, People's Action for Clean Energy (PACE), Save the Sound, Sierra Club, and many more.

Operation Fuel appreciates the opportunity to share our unique knowledge and perspectives in DEEP's Integrated Resource Plan (IRP) proceeding. First, we will address the three questions posed by Deputy Commissioner Hackett at the IRP public meeting in January 2021. A foundation of environmental justice, energy equity, and diverse public participation are necessary for a robust and meaningful IRP process. Next, we will discuss the six goals of the plan, with particular attention to equity and affordability. Our remarks conclude with thanks for DEEP staff developing this IRP, noting progress we've made, and calling for urgency as we plan our clean energy future.

## **Section 2: DEEP Public Meeting 1/2021 – 3 questions**

### **I. How could the IRP be used to advance environmental justice?**

In 2020, the United States Environmental Protection Agency (EPA) defined environmental justice as “the fair and meaningful involvement of all people regardless of race, color, national origin, or income, with respect to the development, implementation and enforcement of environmental laws, regulations and policies.” Considering DEEP's increasing prioritization and discussion of environmental justice, we encourage the agency to clarify and adopt a standard definition of how the agency seeks to redress decades of structural racism that has burdened our state's lowest income communities with pollution and precluded vulnerable citizens from opportunities.

We note that the EPA's definition recommends involving “all people, regardless.” This assumes everyone has equal access to the decision making processes. However we know in CT that this is not the case. To assume that vulnerable people with urgent public health and financial constraints have the same access to power as those who live in comfort and privilege, misunderstands equity as a concept. LMI people who've historically been confused, misled, and excluded, need extra, specific outreach and compensation to get involved. Additionally, it's necessary to show that participants' efforts are impacting the discussion and decisions – not to simply be invited, but to be heard. Assuming people will step in simply because they aren't immediately dismissed is not enough. We encourage DEEP and stakeholders to engage intentionally with the implications of what true environmental justice looks like in CT; to seek out examples where we can move our ideals into action. One noteworthy example is the closure of the MIRA facility in South Hartford (p. 135). To build credibility and relationships in marginalized communities across the state while pursuing our climate goals, the agency and other stakeholders must show how DEEP's focus on Environmental Justice is tangibly improving

people's lives. Our analysis must include public health and economic opportunities and outcomes.

While we appreciate DEEP's goal of equity for "all ratepayers," we note that LMI ratepayers bear a disproportionate share of CT's energy costs. Additionally, these financial burdens swell in the form of uncollectible accounts, which add up for everyone. As was brought into stark relief during the COVID-19 pandemic, high arrearages drive up costs for all ratepayers, which is an unsustainable system. We endorse the efforts PURA has led to create a more equitable cost structure, and encourage DEEP to continue engaging on these matters. A commitment to environmental justice requires that DEEP examine ways in which LMI residents subsidize investments that they can't draw back from, and that benefit higher income households. Two examples of this we'll discuss more include energy efficiency funds, and vehicle electrification.

Centering the IRP in environmental justice concepts require embedding the principles of equity and inclusion into all decisions and plans the agency makes. We encourage the state of Connecticut to invest in long term strategies to build power for traditionally marginalized and segregated communities. Educating children about climate science from a young age creates opportunities for life-long learners to engage in energy policy decision making processes. Similarly, the IRP can lay out models and investment strategies to recruit, hire, train, and promote workers for the world's rapidly expanding green economy. Building programs that effectively bring clean energy and lower costs into LMI homes across our state demonstrates the value of environmental justice centered policies to the marginalized stakeholders DEEP seeks to include in the IRP process over the long term. We observe broad consensus across the political and advocacy spectrum for workforce development that expands opportunities in the green economy.

## **II. What opportunities are there to leverage the IRP to improve energy equity?**

Operation Fuel has learned from energy efficiency contractors through the Home Energy Solutions (HES) and HES-Income Eligible (HES-IE) programs that between 23-30% of LMI ratepayers cannot adapt energy efficiencies because of hazards within the home (IRP pp 101; DEEP report to the Low Income Energy Advisory Board on 2/10/21). The current system relies on LMI ratepayers contributing to the efficiency funds without the opportunity to benefit from the investments. CT's IRP should identify opportunities to address this regressive subsidization policy that drives LMI families into increasing debt, poor health, and housing insecurity.

Another opportunity to examine energy equity is with the [Electric Vehicle Roadmap](#). Until ratepayers of all income classes, including those below 60% of the state median income who rely on federal aid for housing, healthcare, and utilities, have equal access to electric vehicles, imposing vehicle and charging electrification costs equally across is an inequitable approach. Additionally, private vehicle ownership requires extensive grid and infrastructure investments that disproportionately benefit those who can afford private vehicles. Black and brown communities are more likely to face traffic violence in their CT neighborhoods than white residents are. Prioritizing the electrification of public and school buses, and incentivizing electric bikes, are more equitable investments than adding more private electric vehicles to our over-burdened transportation infrastructure.

Along with addressing these two examples of how LMI communities in CT subsidize services for higher income residents, we encourage the IRP to root out instances of this trend.

**III. How can we ensure participation from a broad group of stakeholders, particularly underserved and overburdened communities, in the planning and implementation of these strategies?**

We endorse the recommendations of the GC3's Equity & Environmental Justice Committee to ensure the people most affected by pollution and climate change are at the forefront of the decision making process. Operation Fuel works closely with DEEP and appreciates our growing partnership. As participants in the GC3, Conservation & Load Management proceedings on energy efficiency, Weatherization workshops, and other joint efforts, we offer suggestions for DEEP to enhance participation among underserved and overburdened communities in the planning and implementation of our state's long term climate mitigation and adaptation, as well as our integrated resource, planning.

We encourage DEEP to engage stakeholders by listening to their priorities and lived experiences, in addition to sharing details of the IRP components and strategy with the public. We support quality, culturally appropriate, regularly updated, accessible, and assessable Climate change education for students in CT. Engaging young people in climate science and planning is crucial, as they will be most impacted by the climate planning decisions we make – and avoid – today. Our state has an opportunity to lead in this regard. Most of all, marginalized people need to see how the work DEEP is inviting them to join, impacts their lives. Are their kids learning about climate science in school? Is their home weatherized and audited for efficiency, reducing their energy bills? Do people they know have jobs as energy efficiency technicians, solar sales people, civil engineers, or DEEP scientists? Is the trash plant that's polluted their neighborhood for the past several decades finally closed down? Results and action go a long way toward building relationships and credibility in communities across our state.

As technical experts in complex science and policy, it's understandable that DEEP reports can be dense. The agency would benefit from senior staff with specific training and expertise in public engagement, meeting facilitation, and user-friendly communications. The IRP includes a list of acronyms for reference. We recommend adding to this the definitions for these terms, not just their abbreviations. Breaking down complex concepts like "upgrade the transmission system" into smaller, more detailed components of what that means to an average consumer, will help the public better understand the messages being conveyed and what questions to ask. When seeking public input after a lengthy and technical presentation, stopping more frequently to ask and address specific questions may generate more feedback than a more overarching, general question, at the end. Think of a child coming home after a long day – "What did you have for lunch?" is more likely to yield a verbose response than a non-specific "how was school?" During issue briefings, President Biden is known to ask his staff to "explain it that way to your mother and see if she understands you," when his aides retreat into excessively wonky language. When the agency seeks comment and input, we recommend at least a quarter of the meeting time should be reserved for these exchanges – ideally, during the pre-scheduled meeting time constraints.

These are baseline recommendations; just as DEEP hires consultants to engage in rebate design, or Greenhouse Gas (GHG) emissions measurements, the agency should retain experts in

public communications, with particular expertise in working with marginalized populations, to reach this goal. As in other proceedings, we believe people sharing their unique perspectives and knowledge to help the agency achieve its goals should be fairly compensated for their time. Fair compensation will also help DEEP diversify the pool of individuals who can engage on the frequent and complex topics covered by DEEP proceedings. While we encourage the agency to bring in expert facilitators for public meetings and communications professionals to better share the agency's priorities, we ultimately believe these practices should be led by senior staff, and embedded within DEEP and other state agencies.

**Section 3: 6 Components, with emphasis/ main comments on 3. 1-2 paragraphs for each point.**

1) *Decarbonizing the Electricity sector.*

Operation Fuel heartily endorses that "Connecticut should codify the requirement to achieve a 100 percent zero carbon electric supply by 2040" (p. 8). We should also develop a plan to reduce in-state electricity generation to be zero carbon by 2040. Through our work on the Energy Efficiency Board managing HES and HES-IE, and our partners on the Low Income Energy Advisory Board, we will continue working with DEEP to accelerate our state's transition to 100% renewable energy. Operation Fuel appreciates DEEP's commitment to support the ongoing efforts of Buildings committee members around reducing energy cost and GHG burdens in vulnerable communities. In particular, PACE and NHS of New Haven continue expanding access to energy efficiency retrofits. We are also engaged in the EEB's series of Weatherization workshops, involving stakeholders from housing, engineering, architecture, policy, administrative, medical, public health, and many other areas to advance these goals.

Decarbonizing the electricity sector requires segmenting the highest emitting components, and developing specific solutions to addressing them. Operation Fuel notes that older buildings, often concentrated in low income neighborhoods where decades of federal government and financial institutions' discrimination have actively disinvested in degraded housing stock, have disproportionately high energy burdens. We encourage stakeholders to continue coordinating financing and planning strategies to address this segment of the market, which could have a dramatic impact on both equity and GHG emission reduction. A different strategy may be required for absentee property owners, or commercial building owners, or those in a high income neighborhood with a special services district. It's important to prioritize our finite resources toward where they'll have the most environmentally just impact.

As a state, we must think creatively about opportunities for collaboration. Operation Fuel encourages DEEP to continue working with DSS and the LIEAB to advance long term health, weatherization, and efficiency measures for low income residents of CT. As is practical, we should deploy currently available biofuels to replace dirtier fossil fuels. Our state's LIHEAP plan is one place to develop a long term plan to divest from fossil fuel subsidies. During the same time, we should scale up electrification and transition to renewable energy sources. Another strategy to reduce energy burden for low income CT residents is to deploy heat pumps through its efficiency and/ or weatherization programs. Modern heat pumps, deployed correctly, can reduce energy burden for households in hot and cold weather; which is one reason [their adoption is accelerating so quickly in Maine](#). We are encouraged to see increasing

communication and collaboration across state agencies including DEEP and DSS to effectively deploy our state's resources for near and long term priorities around energy equity.

## 2) *Securing the Benefits of Competition & Minimizing Ratepayer Risk*

Operation Fuel appreciates DEEP's detailed explanations of how ISO-NE can better support our state's climate change, energy cost, and public accountability goals. We look forward to further collaboration, including discussion of how CT and ISO-NE can best leverage FERC Order 2222 that would allow smaller clean energy generators to join together under one license in the market. We believe this is an important precedent to accelerate renewable deployment and lower costs.

As the IRP rightly points out, reducing energy use (sometimes referred to as "behind the meter" savings) is an important component of meeting our clean air goals. During this past summer, retail electricity rates skyrocketed. Part of the reason rate increases were granted was that demand in a previous billing cycle had been lower than expected. In other words – CT residents used less electricity in 2019, so the utilities increased the prices of electricity in 2020 to make up the loss. This structure removes a consumer's incentive to reduce demand, since their costs will increase regardless. We are encouraged by the recent changes to the structures of rate making implemented by PURA in late 2020. Through PURA proceedings, we encourage DEEP to examine and propose ways to address this challenge.

## 3) *Ensuring Energy Affordability and Equity for all Ratepayers (p. 99)*

One thing Operation Fuel has learned during the pandemic is, we are all in the same ocean – but not the same boat. While we appreciate the goal of "equity for all ratepayers," all ratepayers don't bear the same energy burdens. VEIC's research released in 2020 shows that while high income ratepayers in CT consistently [pay light and heat bills that are less than 6% of their income](#), LMI ratepayers in CT face a burden well over that amount – in some low-income census tracts, as high as 20%. High income ratepayers do not regularly forgo positive health, housing, transportation, and nutritious opportunities to pay their energy bills, as our LMI clients do. As consumers get farther behind on their energy bills, companies' uncollectible costs climb, and they pass on rate increases to CT residents. Energy affordability interventions must focus on reducing costs for low income ratepayers – for equity reasons, and to protect the entire system.

Operation Fuel notes the increasing attention and coordination of various stakeholders toward achieving more affordable energy in CT. PURA has led a grid modernization docket, including investigations into barriers faced by LMI customers seeking energy assistance. We appreciate the efforts by EEB and others to coordinate information and services toward energy efficiency and weatherization, reducing access barriers and administrative costs for these essential programs. Operation Fuel launched an online application portal for our customers in 2020. Technology allows us to offer a convenient, user friendly service to our clients, while reducing our back end costs. We encourage state agencies to explore how effectively using technology can advance these goals. We also applaud DEEP's commitment to support development of a mapping tool that can track pollution, health conditions, energy burden, and other trends impacting CT residents. We must commit not only to study structural disparities in

our state and their impact on our different populations, but also to analyze the results, and to invest in impactful solutions.

4) *Optimal siting of generation resources*

Operation Fuel agrees with DEEP that “Connecticut must align its energy and environmental policies to establish siting practices that are transparent, predictable, and efficient while protecting our natural resources.” We support a process that relies on public participation for key decision making. We encourage decision makers to collaborate beyond their silos to align policy decisions that work in concert and not against each other. Additionally, Operation Fuel notes that a crucial step to encourage public participation is to incorporate the input people share into the final decision. This acknowledgement demonstrates the value of the stakeholders’ perspectives, and encourages citizens to keep sharing their views and informing public policy. Without a process to receive this input and transform it into action, this advocacy becomes “spilled” energy, just like the generated renewables that are blocked by an outdated transmission system.

5) *Transmission upgrades, & integration of variable and distributed energy resources.*

As we upgrade our transmission upgrade to make more efficient and cost effective use of our renewable energy generation, we must examine an equitable structure to pay for these investments. We encourage a financing structure that protects LMI ratepayers from further subsidizing energy costs beyond their proportionate burden. Additionally, we encourage DEEP to pursue reforms at ISO-NE and the Forward Capacity Markets, representing CT ratepayers who are currently unfairly shouldering the region’s energy costs. We encourage ISO-NE to aggressively & faithfully implement FERC Order 2222, which will boost renewable energy markets by allowing smaller clean energy generators to consolidate their costs and enter the market.

6) *Balancing Decarbonization and Other Public Policy Goals*

Regarding the discussion of the MIRA trash burning plant in Hartford (p. 135), Gov. Lamont and Commissioner Dykes [announced in July 2020 that the state would not fund further operations of the MIRA trash burning plant in Hartford](#). Municipal officials in Hartford have also rejected the recertification and continued use of the plant. Since then, no financial or environmental solution has been proposed; there is also no moral imperative or political will to continue burning a third of the state’s trash in this same neighborhood for any longer. The plant is expected to close in 2022. As such we believe it is urgent that the IRP go beyond acknowledging the possibility of operations ceasing in 2022, and instead plan for that imminent (particularly by the timelines of climate planning) reality. We are very concerned that DEEP is even suggesting that the plant will continue burning trash in an EJC where asthma rates have surpassed the national average for decades. The IRP should lay out a waste management plan acknowledging clearly that the plant will close.

Closing this trash plant is a concrete example of how DEEP can prioritize environmental justice ideals through action. Without decisive intervention in obvious cases of discriminatory policies such as the continued burning of garbage in a low-income, high asthma rate community, the state jeopardizes its credibility and ability to pursue stated equity goals. We

must consider not just the tipping fees and truck mileage costs, but also the public health and economic opportunity costs we would continue imposing on this community by continuing MIRA's operations. Most importantly, the pollution from 1/3 the trash in CT has been concentrated in one area for the past several decades. We urge DEEP to recommit to the July 2020 decision that the trash burning plant will soon be gone for good – and to plan in earnest for what comes next.

Operation Fuel notes and appreciates the close collaboration between DEEP and the Department of Transportation, as reducing transportation emissions is crucial for our state to achieve our climate mitigation goals. In April 2020, DEEP released the [EV Roadmap](#), which offers further detail on the overlap of these two policy areas. From an equity perspective, we again raise the concern that LMI ratepayers will contribute to upgrades to the grid but not afford the electric vehicles that will benefit from their investments. LMI ratepayers should not bear the burden of ramping up infrastructure for private vehicles that remain too costly to be accessible. Instead of locking further into private vehicle infrastructure investments, we should develop plans to ensure that vehicle electrification subsidies also benefit residents who ride school and city buses, bikes, scooters, and walk. We would like to see the IRP discuss the impact of vehicle electrification across the grid in CT, and how that will impact our resource mix, affordability, transmission upgrades, and other considerations.

In order to best evaluate and improve equity based outcomes in real time, Operation Fuel recommends that the state invest in an annual disparities study, whose data should inform spending decisions for state leveraged resources. Each state agency could determine its own criteria to measure. This approach would help DEEP develop an IRP that can more deeply embed equity principles into the decision making process. It would also strengthen collaborative opportunities for leadership across state agencies.

#### **Section 4: Conclusion**

Operation Fuel applauds the staff and leadership at DEEP for compiling such a researched and extensive IRP. We endorse DEEP's efforts to increase transparency and reform at ISO-NE, and to strategically engage the public in integrated resource planning into the future; as well as the agency's work on the New England Governors' Vision Statement. In addition to addressing various ways that CT consumers are charged more than once for the same energy products and services, the IRP makes a sound case for reform of the forward capacity market and the governance structure at ISO-NE. As ISO-NE develops a plan to implement FERC Rule 2222, designed to expand the markets for cleaner Distributed Energy Resources, DEEP should continue advocating for CT residents.

The IRP technically lays out how CT ratepayers overpay twice for the same energy costs. Operation Fuel staff see every day the impacts – on real people - of these rate increases as wages fall. Our state's long-term strategies around energy, climate change, public health, economics, education, and housing, must center the needs of the most vulnerable residents to ensure equity and environmental justice. When confronted with real life opportunities to live our values, we must take decisive action.

Operation Fuel will continue showing up in DEEP, PURA, legislative, and other fora to advocate for the clients and populations we serve. We are encouraged at the increasing collaboration among stakeholders and coordination of resources across the state. We



appreciate DEEP's stated commitments to environmental justice principles. We will continue working with the agency, community partners, and other stakeholders to act on those values at every opportunity. Operation Fuel appreciates the opportunity to participate in the IRP comment process. We are especially grateful for our coalition partners who focus on clean energy and environmental justice. We will continue partnering with DEEP and other stakeholders to encourage greater breadth and depth of public participation in ongoing proceedings.

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