

ONE HUNDRED SEVENTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

July 1, 2021

Mr. Donnel Baird
Chief Executive Officer
BlocPower
63 Flushing Ave
Building 212, Suite 507
Brooklyn, NY 11205

Dear Mr. Baird:

Thank you for appearing before the Subcommittee on Energy on Tuesday, April 20, 2021, at 10:30 a.m. (EDT), at the hearing entitled “Generating Equity: Deploying a Just and Clean Energy Future.” I appreciate the time and effort you gave as a witness before the Committee on Energy and Commerce.

Pursuant to Rule 3 of the Committee on Energy and Commerce, members are permitted to submit additional questions to the witnesses for their responses, which will be included in the hearing record. Attached are questions directed to you from a member of the Committee. In preparing your answers to these questions, please address your response to the member who has submitted the questions in the space provided.

To facilitate the printing of the hearing record, please submit your responses to these questions no later than the close of business on Friday, July 16, 2021. As previously noted, this transmittal letter and your response, as well as the responses from the other witnesses appearing at the hearing, will all be included in the hearing record. Your written responses should be transmitted by e-mail in the Word document provided to Lino Pena-Martinez, Policy Analyst, at lino.pena-martinez@mail.house.gov. To help in maintaining the proper format for hearing records, please use the document provided to complete your responses.

Mr. Donnel Baird

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Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Lino Pena-Martinez with the Committee staff at (202) 225-2927.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." in a cursive style.

Frank Pallone, Jr.

Chairman

Attachment

cc: The Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce

The Honorable Bobby L. Rush
Chairman
Subcommittee on Energy

The Honorable Fred Upton
Ranking Member
Subcommittee on Energy

Attachment—Additional Questions for the Record

**Subcommittee on Energy
Hearing on
“Generating Equity: Deploying a Just and Clean Energy Future”
Tuesday, April 20, 2021**

Mr. Donnel Baird, Chief Executive Officer, BlocPower

The Honorable Kathy Castor (D-FL)

Mr. Baird, I am working on a bill to encourage disclosure of the energy use and emissions of commercial buildings.

1. Mr. Baird, would you like to add your views on the aforementioned?

RESPONSE:

BlocPower endorses increased transparency and disclosure requirements around building energy use and emissions. These requirements would better inform all stakeholders—including building owners, tenants, community nonprofits, investor-owned utilities, healthcare entities, and governmental entities—on the climate and health risks of fossil-fuel-powered buildings. As a result, the requirements would also increase demand for energy efficiency and electrification upgrades.

BlocPower applauds New York City Local Law 33 of 2018, as amended by Local Law 95 of 2019, which directed the City Department of Buildings to assign buildings over 25,000 square feet energy efficiency grades and required those buildings to publicly display their grades. In BlocPower’s experience, this law noticeably increased tenant and building owner interest in energy efficiency and electrification.

However, any federal emissions disclosure bill should apply to all buildings, not just those buildings exceeding some minimum square footage. The more buildings that are required to disclose emissions, the more demand for energy efficiency and electrification grows, and the greater the increase in efficiency for the entire industry. Emissions grades/scores can also be paired with other building health scores to measure environmental hazards like lead, asbestos, and other structural deficiencies.

2. Mr. Baird, what would greater transparency about energy use and emissions do for businesses like yours? Would it help create greater demand for your services and lead you to hire more workers?

RESPONSE:

Greater transparency requirements around building energy use and emissions would create greater demand and financial resources for service providers and energy efficiency, electrification and weatherization companies. More transparent information would lower the building-by-building individual energy equipment assessment costs, as well as lowering sales, marketing, engineering, and financing costs, leading to a dramatic investment of capital in the green buildings industry. BlocPower is committed to hiring local workers from the environmental and social justice (ESJ) and low- and moderate-income (LMI) communities we serve, and an increase in demand for our services would enable us to hire more workers.

In February, we saw that the energy systems failure led to a tragic loss of life for too many Texas residents. We need to avoid a situation like that happening again.

3. Mr. Baird, how can investments in weatherization of buildings protect residents from extreme heat and cold and save consumers money? Please tell us more about the energy efficiency needs you see.

RESPONSE:

As climate change worsens, the United States will suffer from more and more extreme heat and cold. However, this suffering has not been and will not be felt equally across geographies and communities. In particular, residents in environmental and social justice (ESJ) communities will bear the brunt of extreme weather and its dangers.

Because ESJ communities have long been denied (due to redlining) government investments in green spaces and tree cover, they are more likely to suffer from extreme heat and its consequences. In some cities, the difference in summer surface temperatures between redlined and non-redlined neighborhoods can reach as much as 20 degrees Fahrenheit (www.scientificamerican.com/article/past-racist-redlining-practices-increased-climate-burden-on-minority-neighborhoods/). Redlined neighborhoods, full of buildings with deficient insulation, are also colder in winter than non-redlined neighborhoods. The increased exposure to extreme temperatures results in dangerous health outcomes and increased energy burdens for ESJ communities. Across the United States, the median energy burden for Black households is 43% higher than for non-Hispanic White households (www.aceee.org/sites/default/files/pdfs/u2006.pdf).

Weatherization upgrades—especially insulation upgrades and weather-stripping doors and windows—can reduce indoor temperature fluctuations and energy burdens (the percentage of gross household income spent on energy costs). Electrification of household appliances can further reduce energy burdens, especially if associated with flexible and accessible financing structures. For example, BlocPower has saved its customers between 20 and 70 percent on annual energy costs—all while requiring zero up-front investment.

4. Mr. Baird, could you please describe the current level of access residents in your community have to distributed energy resources and microgrids that could provide backup power in the event of an energy systems failure?

RESPONSE:

Most new technologies, including microgrids and distributed energy resources like residential solar, follow old patterns of adoption that rely on affluent early adopters to bring down cost, which decreases slowly as more consumers adopt the technology. The tail end of the adoption curve includes late adopters both by choice and necessity. Most individuals living in environmental and social justice (ESJ) communities fall into the tail end, missing out on early adoption because they cannot afford the new technology, the technology does not fit their unique and most pressing needs, or the technology was not built with their market in mind.

This approach leaves underserved and under-resourced individuals without access to many emerging technologies, including microgrid and DER technologies. At the same time, these technologies would most benefit stakeholders and energy grid operators in those underserved communities. As climate change worsens and extreme weather events increase in frequency and magnitude, dangerous events like power outages and heat waves will disproportionately impact ESJ communities and their residents. Distributed energy resources could help to level the playing field and save lives, but ESJ communities—who have the most to gain from clean technology, both in terms of health benefits and decreased energy burdens—will not be able to access the technology without government rebates and transparency of energy data in exchange for those rebates.

These patterns have been demonstrated within residential solar and other distributed energy resources. According to a 2019 paper published in *Nature Sustainability*, for the same median household income, “black- and Hispanic-majority census tracts have installed less rooftop PV [photovoltaics] compared with no majority tracts by 69 and 30%, respectively, while white-majority census tracts have installed 21% more” (<https://www.nature.com/articles/s41893-018-0204-z>). These racial disparities in rooftop solar installation worsen still once home ownership is accounted for. A similar story is playing out with microgrids and other distributed energy resources.

Until now, few policies or programs have intervened to change the old patterns of top-down technology adoption or offer new approaches that actually prioritize economic energy equity and ESJ communities. Moving forward, policies must begin, not end, with ESJ communities. By doing so, we can begin to build resiliency in the communities that need it most, whose residents will benefit from energy grid maintenance, public policy advocacy, and produce outsized reductions in building energy waste.

We know that investing in clean energy and energy efficiency will be a massive job creator. In fact, a recent report from the American Council for an Energy-Efficient Economy showed that investments in energy efficiency can create hundreds of thousands of jobs. As we think about ensuring that underserved communities have access to affordable energy and to energy-efficient homes, let's also make sure we're giving people the opportunity to get these jobs improving their own neighborhoods and communities.

5. Mr. Baird, what are the workforce development needs in these communities? How can we make sure that they are seeing the job creating benefits of energy efficiency investments?

RESPONSE:

Marginalized communities need to be trained in design-build approaches to energy efficiency, solar, battery storage, and building electrification. Training for accessing bonding, project finance, and government contracts is also needed.

Community hiring agreements between governments, developers, contractors, subcontractors, and lenders on government-funded projects mandating 30-60% local hiring requirements are the simplest way to ensure equity.

We can also mandate the utilization of graduates of training centers focused on serving vulnerable populations in areas where local hiring is not available.