Written Testimony of Subin DeVar
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Before the Committee on Energy and Commerce, Subcommittee on Energy,
United States House of Representatives
Hearing entitled "Generating Equity: Deploying a Just and Clean Energy Future."

April 20, 2021

Chairman Rush, Ranking Member Upton, and members of the Committee:

My name is Subin DeVar, and I am honored to appear before you today to testify on obstacles and recommendations regarding equity in the deployment of clean energy.

My testimony will focus on three questions, specifically in regards to the electric utility sector:

1. What is equity in clean energy deployment?
2. Who benefits from clean energy?
3. How much do various groups benefit from clean energy?

I am the director of the Initiative for Energy Justice, a national research center housed at Northeastern University, that develops resources for practitioners and decisionmakers advancing an equitable transition to renewable energy.

What is equity in clean energy deployment?

Energy equity refers to the fair and just distribution of the holistic benefits of the energy system, including non-energy benefits such as social, economic, and health benefits. An equitable deployment of energy system benefits includes remediating social, economic, and health burdens on those disproportionately harmed by the existing and past energy system.[1]

The COVID-19 vaccine deployment provides a useful point of comparison to frame our conversation about clean energy deployment. Health professionals and elected officials knew early on that we needed to have a phased deployment of the vaccine, given the time necessary to vaccinate millions of Americans. There was reasoned debate about what that order should be, but experts agreed that we needed to prioritize people because we couldn't vaccinate everyone at once. In the end, federal and state leaders used logical and ethical parameters to set those phases, focusing first on vaccinating frontline workers and vulnerable populations.

Equity in the energy system is not that different, and the common-sense application of logical and ethical parameters can guide us on how to prioritize who benefits from the transition to renewable energy, which will not happen all at once. The transition will take time, and the method of our deployment has serious moral consequences.

[1] For an in-depth discussion of energy justice and energy equity, see "The Energy Justice Workbook," (Initiative for Energy Justice) https://iejusa.org/wp-content/uploads/2019/12/The-Energy-Justice-Workbook-2019-web.pdf.

A simple way to think about energy equity is in terms of *who benefits* from the energy system and *how much* do people benefit from energy system. I will discuss both of these topics in turn.

Who benefits from clean energy deployment?

Energy equity centers the concerns of marginalized and vulnerable groups – particularly pollution-burdened environmental justice communities, which predominately include people of color and low-income households.[2] Furthermore, energy equity focuses on communities on the frontline of climate change impacts, fossil fuel industry workers, women, and others historically disenfranchised by social inequity, especially Black, Indigenous, Latinx, and rural communities.

There are a couple of key obstacles regarding equity in who benefits from clean energy: 1) a lack of defined priority groups in energy regulatory matters, and 2) an absence of meaningful participation from priority groups in system design.

Obstacle #1: Lack of definitions for energy deployment priority groups
The first barrier to equitable clean energy deployment is the lack of comprehensive definitions for target customer groups in most energy regulatory jurisdictions. Without such definitions at the outset, there are limited ways to accurately assess that state of equity in deployment or to implement effective solutions.

- **Recommendation #1: Identify priority groups, including through mapping geographically-defined groups** based on cumulative health impacts and demographic data, **as well as other vulnerable populations** such as low-income households or customers reliant on electricity to power medical equipment.[3] Develop special programs and prioritization of deployment associated with defined priority groups.

Obstacle #2: Absence of meaningful participation from priority groups in rulemaking
The second obstacle in ensuring that marginalized communities benefit from the energy system is the absence of their voice, insight, and perspective at the stage of system design and policymaking. Well-intentioned decisionmakers who are not adequately informed by the unique lived experiences, needs, and challenges faced by marginalized communities will inevitably have blind spots that lead to ineffective regulations.

- **Recommendation #2: Invest in robust outreach, inclusive practices for soliciting feedback, and providing resources**, including financial compensation for contributions

[2] Tessum et. al. "Inequity in consumption of goods and services adds to racial–ethnic disparities in air pollution exposure." March 2019 (PNAS) https://www.pnas.org/content/pnas/116/13/6001.full.pdf.
[3] Different jurisdictions should involve communities in selecting terms and crafting their definitions, based on the principle of prioritizing, restoring, and benefiting communities that have faced, and continue to face, injustice. For more guidance on the process of creating definitions for marginalized communities, see "Justice in 100 Scorecard," (Initiative for Energy Justice), page 28, https://iejusa.org/wp-content/uploads/2021/04/Justice-in-100-Scorecard-Interactive-PDF.pdf. For more examples of environmental justice mapping tools, see "Justice in 100 Metrics," (Initiative for Energy Justice), page 34, https://iejusa.org/wp-content/uploads/2021/03/Justice-in-100-Metrics-2021.pdf.

to rulemaking.[4] To overcome the second obstacle, we must center the most-impacted and most-vulnerable communities in the design of solutions upfront. To adequately meet the needs of marginalized groups, these communities must be at the decision-making table identifying systemic problems, practical challenges in implementation, and proposed solutions. Federal, state, and local lawmaking and rulemaking should include direct outreach and meaningful participation for the public and marginalized communities, including accessible meetings. Energy policymaking should also provide relevant information and other resources to the public and marginalized communities to sufficiently evaluate the proposed policies.[5]

How much do various groups benefit from clean energy?

Energy equity aims to advance three levels of benefits: 1) the human right to energy, 2) non-energy benefits, and 3) energy democracy.

It is useful to categorize types of benefit from clean energy to evaluate if clean energy deployment is fair and just. Clean energy system benefits can be conceptualized as a three-part pyramid of benefits with 1) the base of the pyramid being the human right to access affordable electricity, 2) the middle level of the pyramid being non-energy social, health, and economic benefits, and 3) the top of the pyramid being energy democracy: the democratic management of the energy system by the people using that energy.

There are two primary obstacles regarding equity in how much various groups benefit from clean energy: 1) the failure to set clear goals and metrics regarding the distribution of holistic benefits to marginalized communities, and 2) a myopic view of clean energy regulation that fails to prioritize specific approaches to clean energy that maximize benefits across different sectors.

Obstacle #3: Failure to set clear goals and equity accountability mechanisms
A fundamental barrier to people benefitting from the whole suite of potential benefits from the deployment of clean energy is the absence of clear goals, metrics, and utility accountability mechanisms to drive these outcomes.

- **Recommendation #3: Create metrics and require that at least 40% of holistic benefits from energy resources are distributed to marginalized communities.** Combining the best practices of states such as Washington and New York, federal and state policy should require the equitable distribution of clean energy benefits, including a minimum of 40% of benefits targeted to marginalized communities.[6] Enforceable accountability mechanisms would include adequate reporting of equitable benefit metrics,

[4] For an example of financial compensation for rulemaking engagement, see "Intervenor Compensation Program" (California Public Utilities Commission) https://www.cpuc.ca.gov/icomp/.
[5] See "Justice in 100 Scorecard," (Initiative for Energy Justice), page 19-20, https://iejusa.org/wp-content/uploads/2021/04/Justice-in-100-Scorecard-Interactive-PDF.pdf.
[6] See Washington's Clean Energy Transformation Act (CETA) (E2SSB 5116, 2019) and New York's Climate Leadership and Community Protection Act (CLPCA) (S6599, 2019).

as well meaningful participation in the development of metrics, measurement, and evaluation.[7]

Figure 1: Example elements of an energy equity measurement logic model[8]

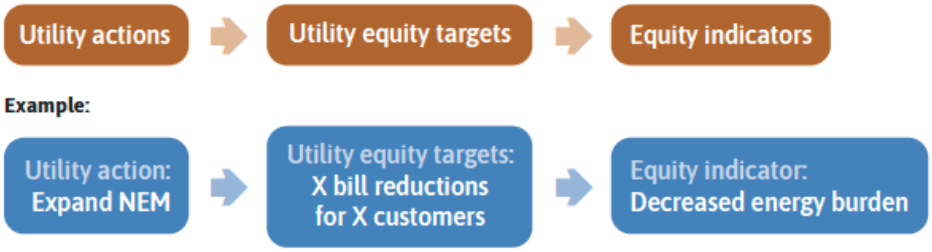
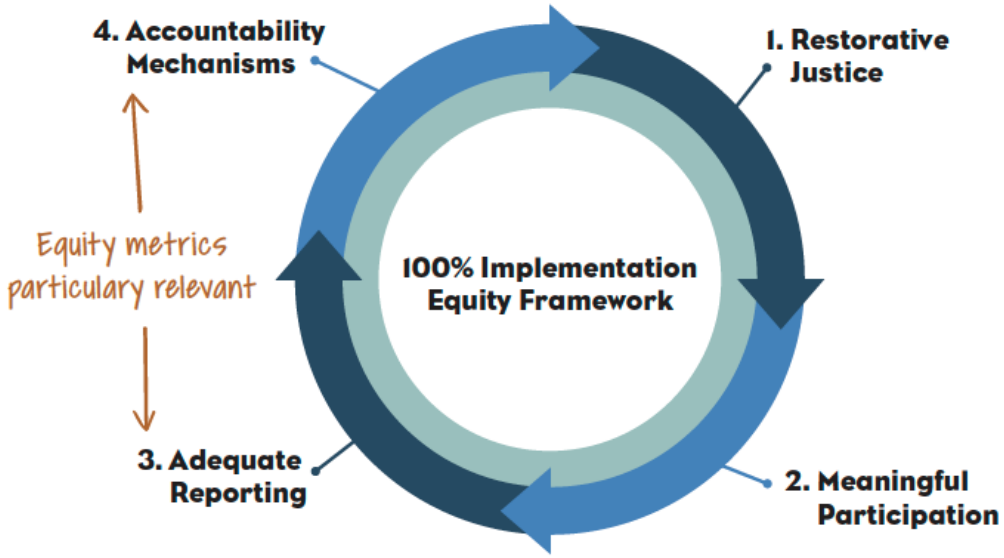


Figure 2: Equity framework in the implementation of 100% clean energy standards[9]



Obstacle #4: Overly broad definitions of clean energy paired with profit incentive

A myopic view of clean energy regulation combined with the profit incentive of investor-owned utilities[10] fails to prioritize specific approaches to clean energy that maximize benefits across different sectors. Regulatory structures such as clean energy standards are a critical tool for a renewables transition; however, if defined too broadly, they may fail to advance equity if they do not properly consider the environmental impacts of different types of generation sources; the

[7] See "Justice in 100 Metrics," (Initiative for Energy Justice) https://iejusa.org/wp-content/uploads/2021/03/Justice-in-100-Metrics-2021.pdf.
[8] "Justice in 100 Metrics," (Initiative for Energy Justice), page 8, https://iejusa.org/wp-content/uploads/2021/03/Justice-in-100-Metrics-2021.pdf.
[9] "Justice in 100 Metrics," (Initiative for Energy Justice), page 9, https://iejusa.org/wp-content/uploads/2021/03/Justice-in-100-Metrics-2021.pdf.
[10] John Farrell, "How Market Power Gives Electric Utilities Political Power" (Institute for Local Self-Reliance) November 11, 2019, https://ilsr.org/how-market-power-gives-electric-utilities-political-power/.

advantages and disadvantages of centralized transmission grid-connected generation versus distribution grid-connected generation, and the benefits of community-led projects.

- **Recommendation #4: Focus on renewable, distributed, and community-led energy resources.** A federal clean electricity standard should allow only "renewable" energy, building on state, national, and international definitions that focus on pollution-free, natural, and regenerative sources of generation, such as solar and wind. Furthermore, federal policy should seek to maximize the use of distributed energy resources and energy efficiency,[11] such as a minimum of one-third of clean energy being small scale on-site distributed generation, and one-third medium scale distribution-connected community energy. The United States should set a goal of ensuring 30 million households gain access to rooftop solar or community solar in five years, with a focus of at least 60% of new generation serving marginalized communities.[12] Moreover, policymakers should focus on energy generation that is governed or owned by nonprofits, cooperatives, and public entities to maximize social, health, and economic benefits.

Conclusion

To close and reiterate:

1. **Energy equity refers to the fair and just distribution of the holistic benefits of the energy system**, including non-energy benefits such as social, economic, and health benefits.
2. **Clean energy deployment should center the concerns of marginalized and vulnerable groups** – particularly pollution-burdened environmental justice communities, which predominately include people of color and low-income households. Specific recommendations include:
    a. **Mapping** – Identify priority groups, including through mapping
    b. **Process** – Invest in outreach, inclusion, and compensation for community participation
3. **Clean energy deployment should advance three levels of benefits: 1) the human right to energy, 2) non-energy benefits, and 3) energy democracy.** Specific recommendations include:
    a. **Metrics** – Require minimum 40% of benefits to marginalized communities
    b. **Democracy** – Advance renewable, distributed, and democratically-managed grid

[11] For addressing barriers to participation in energy efficiency programs, see Tony Reames, "A community-based approach to low-income residential energy efficiency participation barriers" (Local Environment: The International Journal of Justice and Sustainability, 2016) https://www.tandfonline.com/doi/abs/10.1080/13549839.2015.1136995?needAccess=true&journalCode=cloe20.
[12] See "30 Million Solar Homes" (Institute for Local Self-Reliance, Solar United Neighbors, and Initiative for Energy Justice) https://www.30millionsolarhomes.org/.