



Energy Equity:

Bringing the benefits of our
fight against climate change
to frontline communities

Gabe Pacyniak
&
Tammy Fiebelkorn

Oct 4, 2023

What is Energy Equity

Energy equity recognizes that disadvantaged communities have been historically marginalized and overburdened by pollution, underinvestment in clean energy infrastructure, and lack of access to energy-efficient housing and transportation.

An equitable energy system is one where the economic, health, and social benefits of participation extend to all levels of society, regardless of ability, race, or socioeconomic status. Achieving energy equity requires intentionally designing systems, technology, procedures, and policies that lead to the fair and just distribution of benefits in the energy system.

[PNNL Energy Equity Website](#)



Everyone Deserves

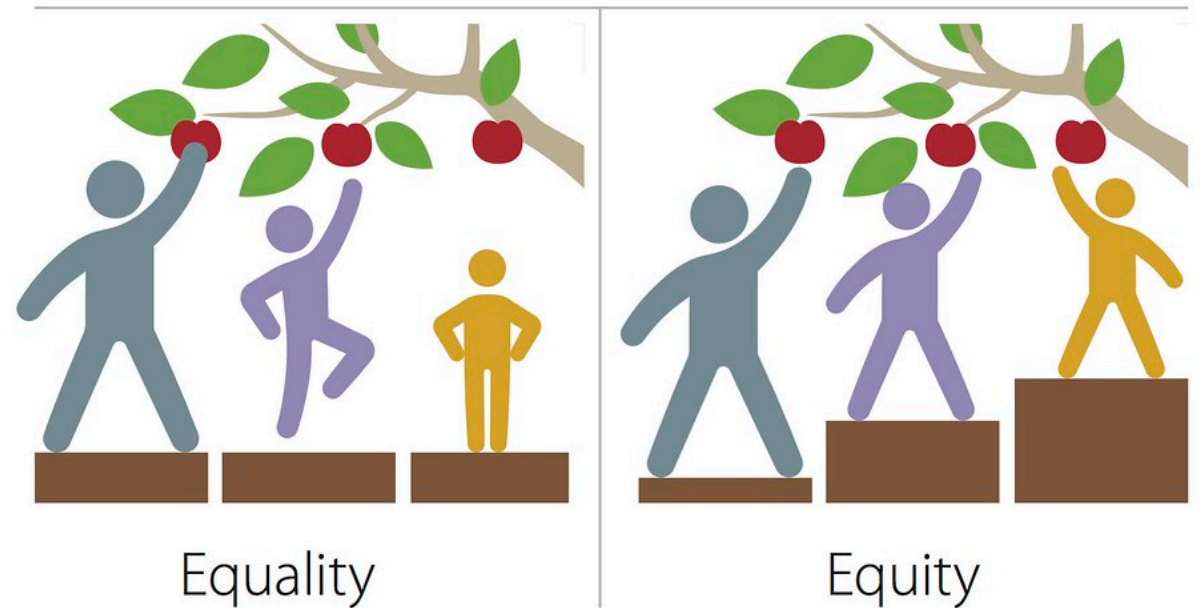
a home that is

- Safe
- Comfortable
- Functional
- Healthy
- Affordable to operate
- Doesn't damage the environment
- Doesn't negatively impact future generations

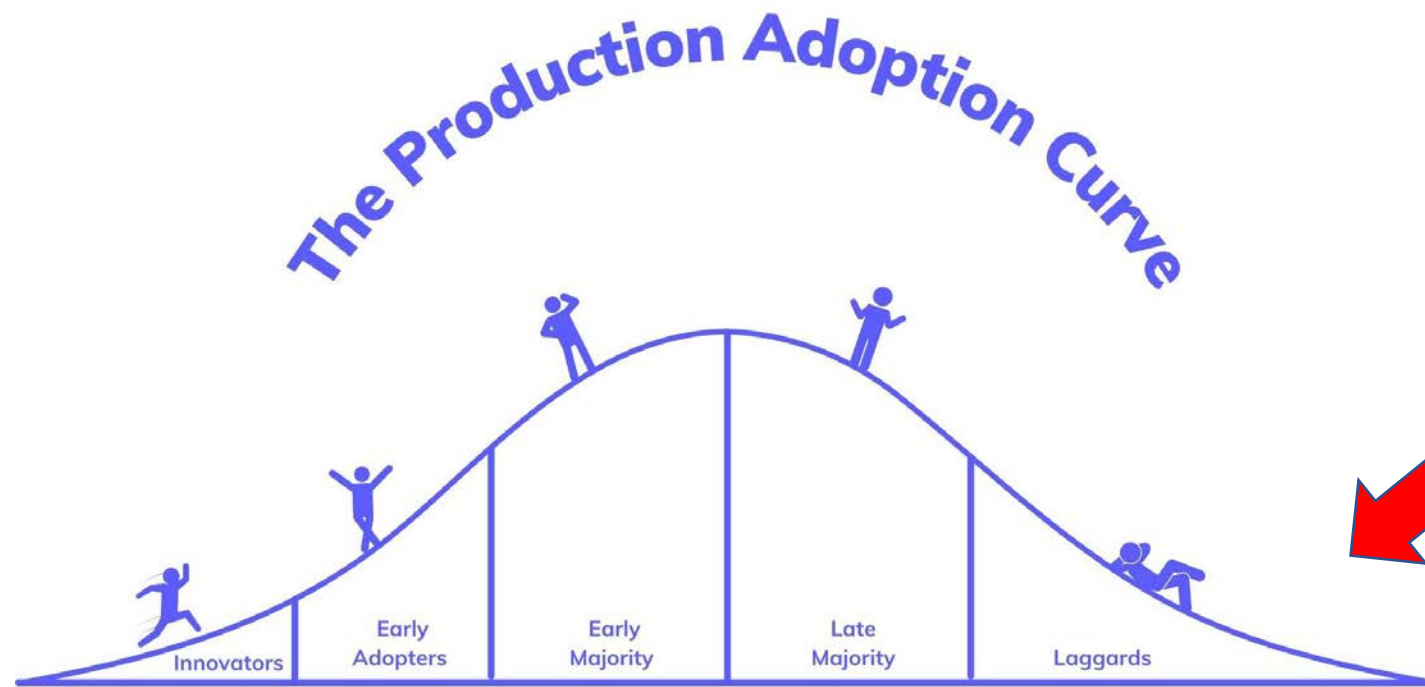


What is Energy Equity?

- Equity is the key:
 - One size fits all approach doesn't work
- Ex: Heat Pumps
 - Some people don't have electricity
 - Some people have poor housing stock

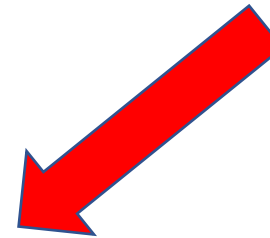


Don't Leave Anyone Behind



NOT Laggards – just people without access to:

- energy
- energy efficiency
- renewable energy





Climate Action and Frontline Communities

There is no way to reach our climate goals if we don't include frontline communities in our plans

We must make sure the benefits of our fight against climate change reach frontline community members



Poverty in New Mexico

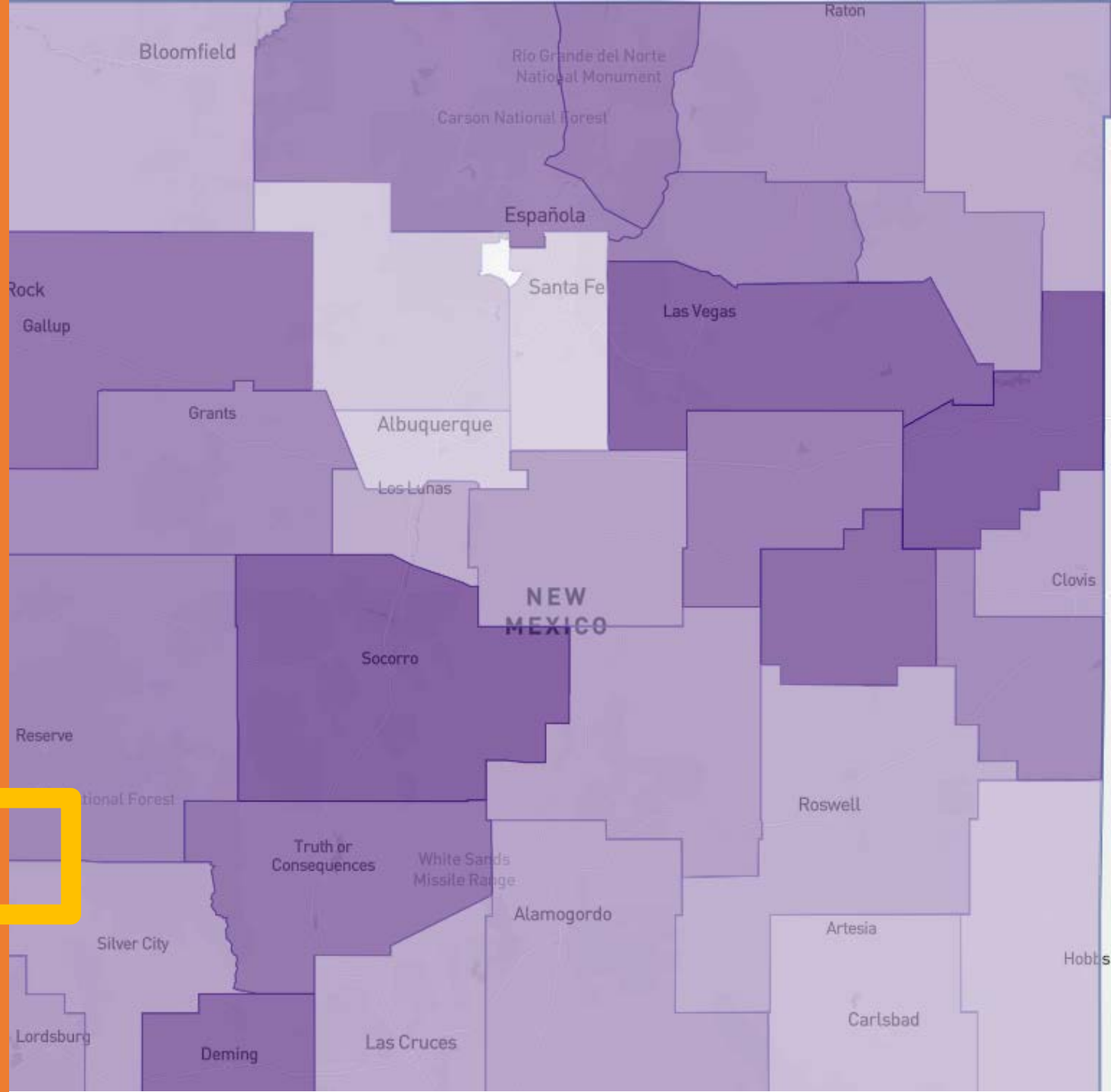
NM Population – 2.1M

Percent living in poverty – 19.8%

Energy Burden of those living in poverty – Average of 14%

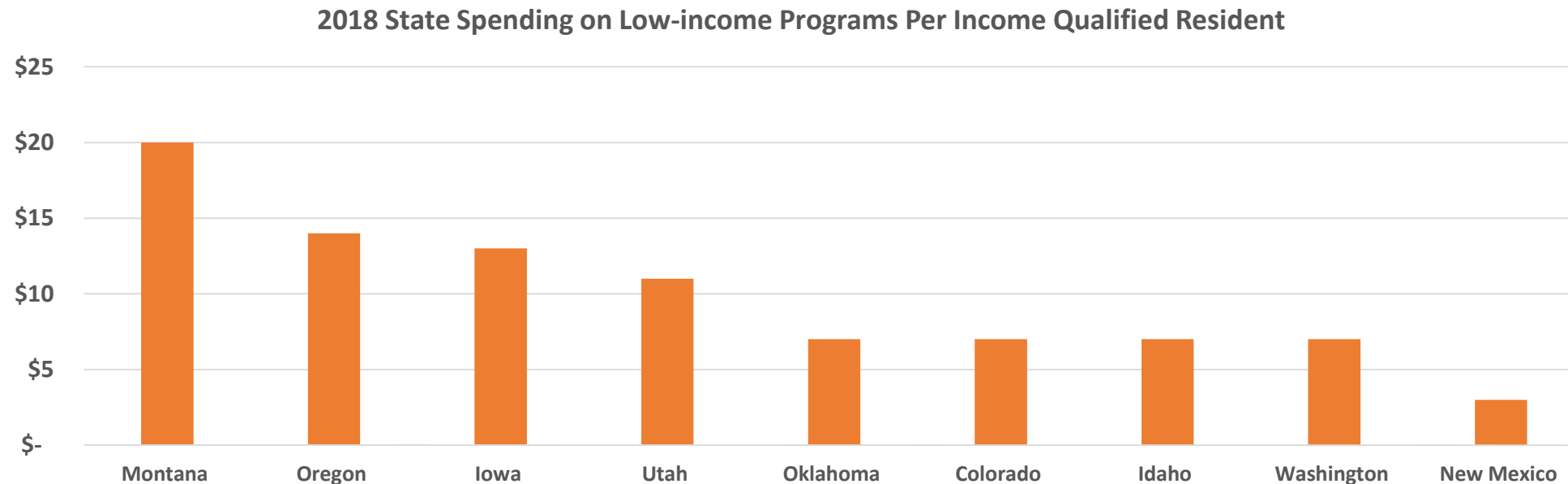
SWEEP

High Energy Burdens



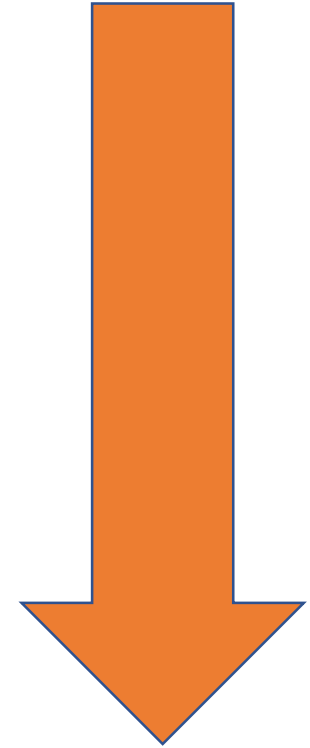
What about other states?

26 states spend at least double what New Mexico spends on energy efficiency improvements for low-income residents; some states invest more than 10 times what New Mexico invests



Policy & Program Solutions?

- Reduce energy use
- Reduce energy costs



Utility Energy Efficiency Programs for Low-Income Customers

- Dedicate a percentage of energy efficiency program budgets to low-income customers.
 - Special low-income energy efficiency program benefits:
 - Reduce or eliminate cost-effective tests for low-income customers
 - Provision of 100% of costs for energy efficiency services for low-income customers
 - Program designed with low-income needs in mind
- NM and NV both have a % set-aside for these programs.

Sustainable Building Tax Credit

- Transferrable Credits
- Refundable Credits
- Double for low-income residents and affordable housing

SBTC for Existing Buildings

Product	Low-Income/Affordable Housing	Base Tax Credit
Energy Star Air Source Heat Pump (either ducted or ductless)	\$2,000	\$1,000
Energy Star Ground Source Heat Pump	\$2,000	\$1,000
Energy Star Windows and Doors	100% of project cost up to \$1,000	50% of project cost up to \$500
Insulation	100% of project cost up to \$2,000	50% of project cost up to \$1,000
Energy Star Heat Pump Water Heater	\$700	\$350
EV-Readiness	\$1,000 for residential; 100% of project costs up to \$3,000 for small commercial	\$500 for residential; 50% of project costs up to \$1,500 for small commercial

Community
Energy Efficiency
Development
Block Grants –
(CEED)

Modelled after CEE Project

Sets up CEED fund at EMNRD
\$10M to start the program

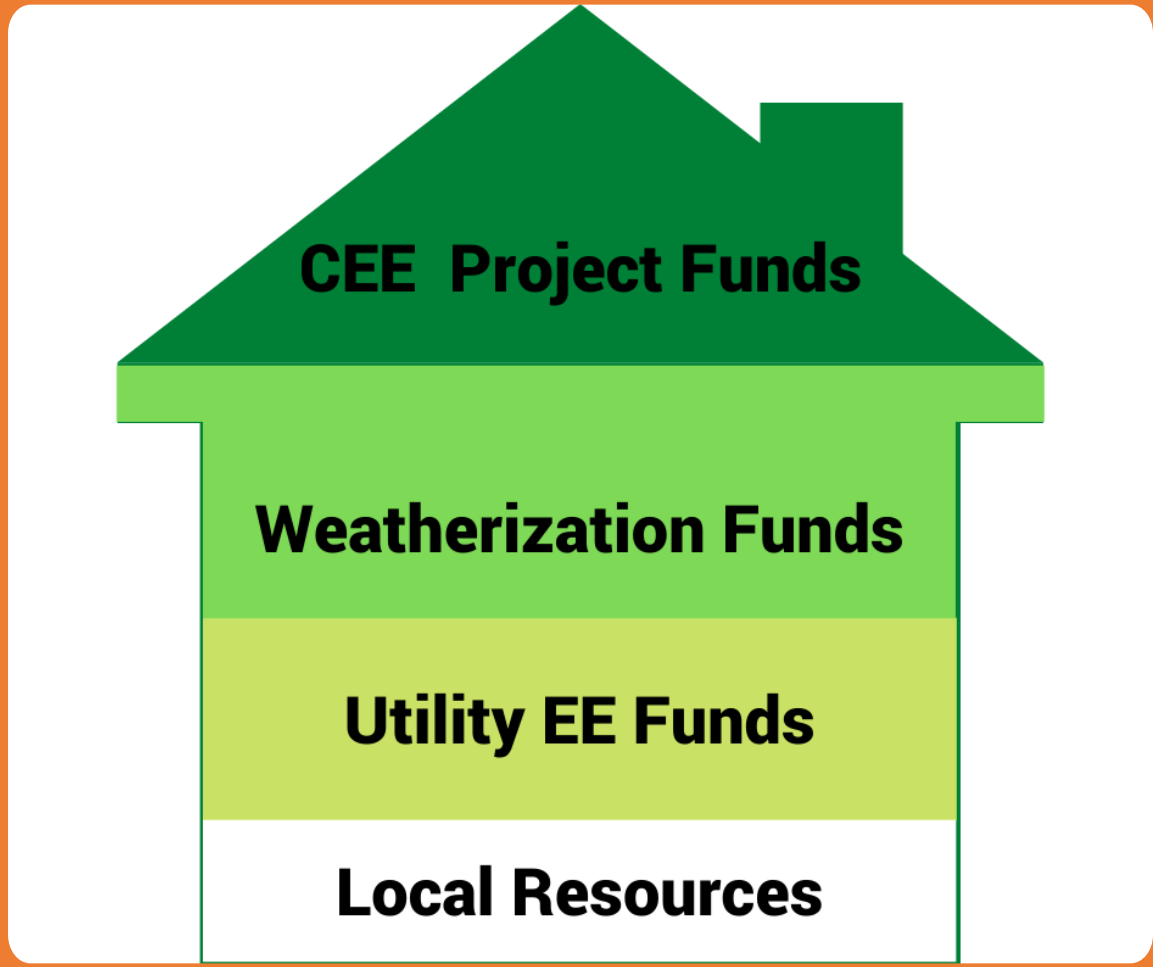
Funds given to local governments
for block grant activities for low-
income areas



Community Energy Efficiency Development (CEED)



- Grants to local government entities
 - Cities, Counties, Towns, Villages, Tribal Entities
- Local Government must partner with local partner
 - Nonprofit or entity already working in the area
- Identify one geographical area of need
 - High energy burden, low-income, needy housing stock
- Design program to improve the homes
 - Reduce energy use
 - Improve comfort and safety
- Program designed at the local level because needs differ geographically
 - Some areas may need lots of small improvements
 - Some areas may need fuller retrofits for a smaller number of homes



Capital Stacking

Utilizing all available resources to provide low-income energy efficiency services for FREE

The CEED Act

Community Energy
Efficiency Development
Block Grant Act

House Bill 37



will open new doors for New Mexicans to:

MORE LOCAL JOBS



AFFORDABLE UTILITY BILLS



MORE ENERGY-EFFICIENT HOMES



CLIMATE ACTION



Coalition Partners:

Environmental Advocates
Low-Income Advocates
Consumer Advocates
Energy Efficiency Businesses
Faith-Based Organizations
Public Health Advocates

Support From:

Utilities
Legislators
Local Governments
Public Regulation Commissioners
U.S. Senator
U.S. Representative



Low Income Rates

Rates are an important part of the conversation

- Electrification impacts on bills
- Low-Income retrofits take time
- Justification for separate class of customers

** Like bill payment assistance programs, low-income rates should be paired with maximum energy efficiency, electrification

Low-income Rates are a Widely-Used Tool

- 22 States have low-income rate programs
 - Includes AZ, CO in our region
- These supplement federal LIHEAP program
 - LIHEAP limited to heating in winter months, funding not sufficient
- Low-income rate designs can range from simple discounts to case-by-case % of income programs
- Can be designed to use existing procedures used for federal LIHEAP programs

Percentage of Income Payment Program

Utilities regulated by the Colorado Public Utilities Commission are eligible for the **Income Payment Program (PIPP)** that is designed to provide a discount on their monthly energy bills. Consumers who pay more than six percent of their monthly energy bills may qualify for PIPP after determining eligibility.

The income threshold for eligibility for the PIPP is the State Median Income (SMI) at the Poverty Level, or 60 percent of the State Median Income. For a four-member household, the SMI is \$100,760. For a two-member household, the SMI is \$60,456. [Click here](#) for details on income qualifications and [click here](#) for more information on programs offered by the Department of Regulatory Agencies.

APS Energy Support Program

25% Discount on Energy Bills

If you need assistance paying your monthly energy bill, we can help. Our Energy Support program gives qualified customers a 25% discount on their energy bill each month. Please click on the button below to apply online and submit your application.

Program Eligibility Requirements

To qualify for this program, you will need to meet all [program income guidelines](#) and provide [proof of income](#) for all adults in your household. To stay enrolled, you will need to reapply every 24 months.

aps

SWEEP

2023 HB 218 Starting Point for Low-income Rate Legislation for NM

- Requires IOUs and coops to provide low-income rates
- Provides more flexibility to coops
- Allows utilities to propose different rate designs pursuant to PRC guidance
- Consistent with *Mountain States* decision - legislature may authorize such rates

underscored material = new
[bracketed material] = delete

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AN ACT

RELATING TO PUBLIC UTILITIES; REQUIRING CERTAIN PUBLIC UTILITIES TO PROVIDE AFFORDABLE RATES TO LOW-INCOME RESIDENTIAL CUSTOMERS; REQUIRING THE PUBLIC REGULATION COMMISSION TO ESTABLISH CRITERIA FOR AFFORDABLE RATES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 62-8-1 NMSA 1978 (being Laws 1941, Chapter 84, Section 37) is amended to read:

"62-8-1. RATES.--

A. Every rate made, demanded or received by any public utility shall be just and reasonable.

B. Every public utility providing electric or natural gas service to residential customers shall offer an affordable rate for low-income residential customers; provided that rural electric cooperatives shall not be required to offer

Thank you!

Tammy Fiebelkorn
NM Representative, SWEEP
tfiebelkorn@swenergy.org
505-410-3884

Gabe Pacyniak
Professor, UNM School of Law
Pacyniak@law.unm.edu
202-460-3820