

Delaware

Energy Efficiency Advisory Council

SCOPE OF WORK: LOW-INCOME ADVISORY COMMITTEE

DECEMBER, 2017



TABLE OF CONTENTS

Executive Summary	3
Introduction.....	3
The Need.....	3
Value Added.....	4
Plan and Organizational Structure	6
The Organization	6
Mission Statement	6
Vision Statement	6
Constituent Segment	6
Organizational Logistics and Structure.....	7
Goals, and Deliverables	7
Conclusion.....	8

EXECUTIVE SUMMARY

INTRODUCTION

The first meeting of the Delaware Energy Efficiency Advisory Council (EEAC) Low-Income Advisory Committee (Committee) occurred in May, 2016. The primary impetus for starting the Committee was to organize a method and process to distribute low-income energy efficiency funds from the Pepco Holding, Inc.-Exelon Merger Settlement. However, the Committee has developed into a group of stakeholders able to provide direct feedback to the EEAC regarding Delaware low-income energy efficiency programs. Feedback has or will contribute to topics such as the ability for low-income energy efficiency programs to contribute to State energy efficiency savings goals, the effectiveness and efficacy of program delivery, and assessments of specific sector needs such as workforce development, community outreach/ engagement, and finding additional low-income program resources (e.g. Delmarva Low-Income Settlement Funds, Regional Greenhouse Gas Initiative (RGGI), DOE Weatherization Assistance Program, etc.).

The Committee is composed of a diverse set of stakeholders including community-based non-profit organizations, faith-based organizations, social service agencies, municipalities, the Delaware Sustainable Energy Utility, Delaware utility companies, the Division of the Public Advocate, the Division of Energy and Climate of the Delaware Department of Natural Resources and Environmental Control, EEAC consultants, and members of the EEAC.

All meetings of the Committee are conducted in an open and public manner following State open meetings rules and standards. This ensures that meetings are open to the public for purposes of public participation and monitoring. Moreover, the public has access to all Committee meeting agendas and minutes. The diversity of participating stakeholders and the open process has resulted in an accountable and transparent organizational structure.

THE NEED

While households of any income level may suffer from a high energy burden¹ low-income households experience higher energy burdens than average income households. Low income households typically have older and less-efficient appliances and heating/cooling equipment; their dwellings tend to be older and in poorer repair, leading to energy waste. High energy burdens affect a household's ability to meet monthly utility payments and often force families to make unpleasant and unhealthy tradeoffs between food, medicine, keeping the lights on, and other basic necessities.² As a result, low-income households' energy burden is on average twice that of average income households and three times greater than higher income households.³

¹ Energy burden is often defined as the percentage of household income spent on home energy bills.

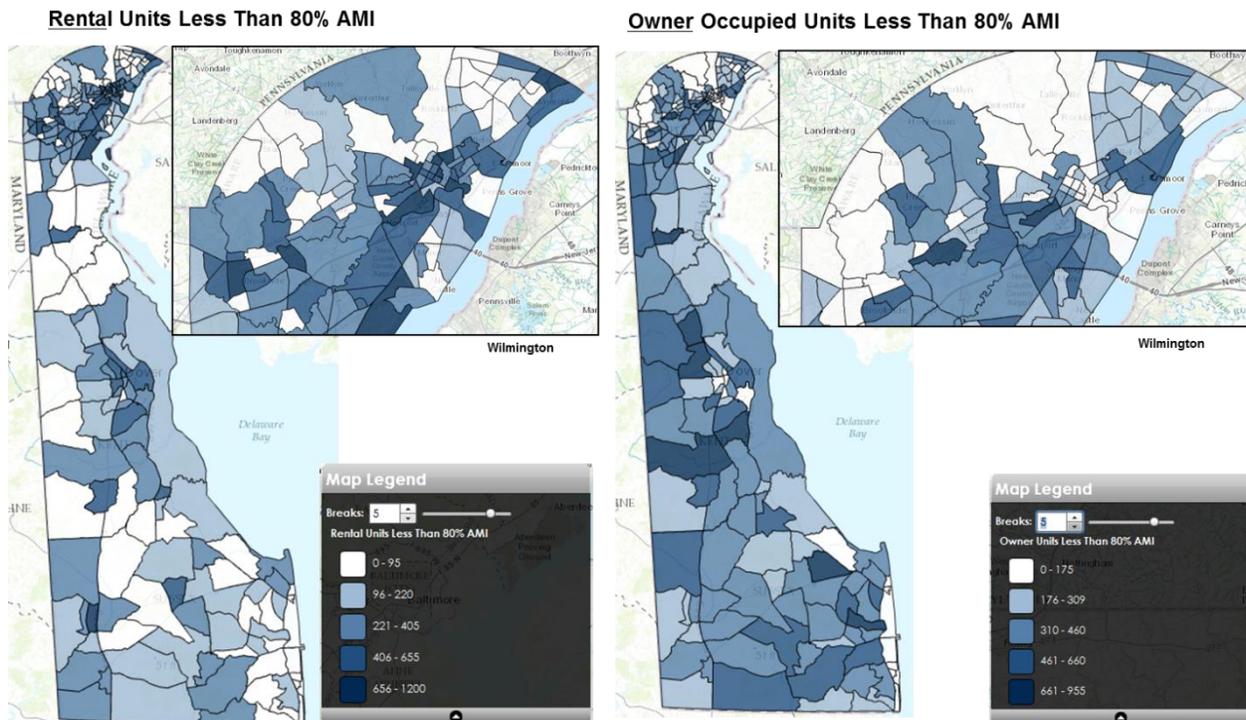
² <http://aceee.org/topics/low-income-programs>

³ Drehobl and Ross, *Lifting the High Energy Burden in America's Largest Cities: How Energy Efficiency Can Improve Low Income and Underserved Communities*, ACEEE, April, 2016.

In Delaware, approximately 38% of all non-vacant rentals and owner-occupied households qualify as low-income; this is over 126,000 households.⁴ As a result, a large segment of the Delaware population experiences high energy cost burden and has less access to resources to improve the energy efficiency and quality of their household.

The maps below display the geographic areas of Delaware that have the highest concentration of low-income households and experience high energy burden.

Map 1: Low-Income Housing in Delaware



With approximately one-third of the Delaware population being designated as low-income and having a high probability of experiencing high energy burdens, the EEAC recognized the value of establishing the Low-income Advisory Committee and tasked it with understanding and reporting on energy-related challenges experienced by low-income households, the quality, effectiveness, and availability of low-income energy efficiency programs, and subsequently making recommendations in these areas to the Council as a whole.

VALUE ADDED

American Council for an Energy-Efficient Economy (ACEEE), states that energy efficiency is a strategy that can reduce low-income household's energy burden by approximately 30%. The Low-Income Advisory Committee provides a structured and publicly accountable means to address low-income energy efficiency topics and issues.

⁴ Delaware Housing Authority, *Delaware Housing Needs Assessment*, 2016.

In addition, the Committee provides a means to advise on and support the effective delivery of low-income energy efficiency program services and education that contribute to State energy efficiency savings goals and that they are delivered effectively. The Committee also provides the means to assess sector-level needs and strategies such as workforce development, community outreach and engagement, and identifying additional sources of low-income program resources (e.g., Regional Greenhouse Gas Initiative (RGGI), DOE Weatherization Assistance Program, Low Income Home Energy Assistance Program (LIHEAP), etc.).

PLAN AND ORGANIZATIONAL STRUCTURE

THE ORGANIZATION

The Committee is made up of individual member representatives and is managed by EEAC staff with support from EEAC consultants. Members represent various organizations and stakeholders, including:

- Delaware Department of Natural Resources and Environmental Control
- Delmarva Power & Light
- Chesapeake Utilities Corporation
- Delaware Sustainable Energy Utility
- Delaware Municipal Electric Corporation
- Delaware Electric Cooperative
- One at-large member representing the low-income sector
- One at-large member representing the New Castle County community
- One at-large member representing the Kent County community
- One at-large member representing the Sussex County community

A quorum is required for all voting matters. All other representatives in attendance are Ex-Officio members and are not eligible to vote.

MISSION STATEMENT

On behalf of the Energy Efficiency Advisory Council, the Committee's mission is to organize a public means to discuss, plan, make improvement recommendations, educate, and report out on low-income energy efficiency programs and issues in Delaware.

VISION STATEMENT

The Committee's vision is a reduction of energy demand and energy cost-burden of low-income Delaware households and the enhancement of the vitality of Delaware communities.

CONSTITUENT SEGMENT

All EEAC Low-Income Advisory Committee meetings are open to the general public. Stakeholders interested in Delaware low-income energy efficiency issues will benefit most from the work of the Committee. Stakeholders may represent the following sectors:

- Community and housing developers
- Community-based advocacy and service organizations
- EEAC members
- Energy utility providers
- Faith-based organizations

- Legislative bodies (City and State government officials)
- Low-income renters and landlords
- Public Advocate
- Public Service Commission
- Research-based institutions
- Residential home performance contractors
- State policy makers
- Workforce training providers

ORGANIZATIONAL LOGISTICS AND STRUCTURE

All Committee meetings follow Delaware open meeting regulations and follows Roberts Rules of Order protocol.

The Committee will maintain a monthly meeting schedule, but will determine at least one week ahead of time whether or not to keep the meeting pending an agenda.

GOALS, AND DELIVERABLES

The primary goal of the Low-Income Committee is to organize and support discussions and work products that highlight key low-income energy efficiency issues and opportunities in Delaware. These goals aim to ensure that the EEAC will maintain a direct link to low-income energy efficiency programs. The Committee has identified the following initial goals and associated deliverables as key to the Committees success.

Goal	Deliverable(s)
Understand the needs, assets and opportunities of Delaware low-income eligible ratepayers to most effectively and equitably assure full program access and participation.	<ul style="list-style-type: none"> • Collect, analyze and report on low-income ratepayer feedback • Create and update on a regular basis a low-income program tracker and calendar to ensure committee transparency and coordination
Conduct high-level analysis low-income energy efficiency program performance and provide recommendations for program improvement.	<ul style="list-style-type: none"> • Cost-effectiveness and energy savings report • Program(s) process/ quality analysis • Program participation analysis
Support the development of a trained and industry certified low-income energy efficiency workforce	<ul style="list-style-type: none"> • Produce a skills gap analysis and opportunities report • If/when applicable, support the development of low-income energy efficiency workforce training providers and programs. • Support the ongoing professional development of energy efficiency/ home performance contractor professionals

Provide high-level oversight and accountability of Delmarva Settlement funds and programs	<ul style="list-style-type: none"> • Ensure the development of an annual settlement funds report.
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CONCLUSION

Approximately 38% of occupied households in the State of Delaware have income less than 80% of the area median and therefore may be defined as “low income.” Furthermore, many low income Delaware households experience a high energy burden and struggle to find resources to upgrade their households and appliances to reduce energy demand and costs. The EEAC established the Low-Income Advisory Committee to address these issues. The Committee establishes a formal structure in the State of Delaware to discuss and plan for low-income energy efficiency programs and initiatives. The Committee can act as a bridge between the general public, stakeholders, the EEAC.; focus greater attention on low-income energy efficiency issues; and work more in-a to seek solutions to specific challenges. If successful, the Committee will support low-income energy efficiency policy recommendations that reduce the energy burden for a large number of Delawareans.