

Building a Just Energy Future

**A FRAMEWORK FOR COMMUNITY CHOICE
AGGREGATORS TO POWER EQUITY AND
DEMOCRACY IN CALIFORNIA**

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About

The California Environmental Justice Alliance is a statewide, community-led alliance that works to achieve environmental justice by advancing policy solutions. We unite the powerful local organizing of our members in the communities most impacted by environmental hazards – low-income communities and communities of color – to create comprehensive opportunities for change at a statewide level. We build the power of communities across California to create policies that will alleviate poverty and pollution. Together, we are growing the statewide movement for environmental health and social justice.

We represent approximately 20,000 Asian Pacific American, LatinX, and African American residents in the San Francisco Bay Area, San Joaquin Valley, Los Angeles, Inland Valley, and San Diego/Tijuana area. We combine organizing, movement-building, and strategic policy advocacy.

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Note: The findings in this report do not represent the opinions of the individuals and organizations outside of CEJA who participated in the meetings and discussions leading to this report. While these meetings and discussions informed the report, the findings reflect the collaborative views of CEJA organizations.

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Executive Summary



LILIAN BELLO FROM THE PUENTE POWER PLANT CAMPAIGN IN OXNARD

Overview

Due to a long history of poor planning and neglecting equity, our energy system is not resilient enough to handle increasing climate disasters like wildfires and extreme heat. Such disasters are straining our electric grid and resulting in blackouts, shutoffs, and increased pollution that hurt disadvantaged, low-income, and vulnerable community members first and worst. While the climate crisis exacerbates these dangers, inequitable policies and practices have made them far worse, and threaten to keep California from meeting its statewide climate, air quality, equity, and energy commitments.

Environmental justice (“EJ”) communities suffer the most from the current energy system. In addition to being at the frontlines of pollution and climate disasters, these communities face the highest energy burden and are often not able to participate in the energy decisions that impact them and their families. This is a failure for the climate and a failure for equity. As California plans to take meaningful steps to improve grid reliability and resilience and transition to clean energy, environmental justice communities must be placed front and center.

The opportunity presented by an energy system that is truly equitable and democratic not only has a moral value, but also a practical value that ensures that frontline communities craft a future that works best for them and by them. An energy system that meets our statewide goals and centers equity in the process will not only replace the outdated, anachronistic systems, but with its community-led design, will enjoy much wider support.

What are Community Choice Aggregators?

Community Choice Aggregators (CCAs) have the potential to provide a framework for centering environmental justice communities in the energy system and empowering community-led decisionmaking. For decades, most of California's energy was purchased and sold by investor-owned utilities (IOUs), which are private companies operated in large part by shareholders. CCAs, on the other hand, are formed by local city and county governments agreeing to purchase energy for their jurisdiction. CCAs are governed by boards of elected officials who are supposed to engage communities and allow them to lead. More than 10 million residents will likely fall within the jurisdiction of CCAs in upcoming years. This comes with both challenges and opportunities.

CCAs have the potential to help California achieve its climate and economic goals, and provide an opportunity to redesign the energy system with far-reaching benefits for customers, ratepayers, and EJ communities. However, this outcome is not guaranteed. As the California Alliance for Community Energy states, left to its own devices, a Community Choice program can “become just another rigid, business-as-usual bureaucracy that’s out of touch with the needs of the community it serves, perhaps only marginally better than the competing investor-owned utility.”

This concern and this opportunity led the local and grassroots environmental justice organizations of the California Environmental Justice Alliance (CEJA) to develop this report, which offers community-led best practices for CCAs and other energy entities to begin a process to achieve energy equity and energy democracy.

The fundamental cornerstones for accomplishing this are: **ensuring meaningful and active engagement with communities; prioritizing and protecting the most impacted populations; maximizing transparency and accountability; and driving decision-making through robust community input.**

Key Recommendations

COORDINATION WITH LOCAL COMMUNITY-BASED ORGANIZATIONS

- Community-Based Organizations (CBOs) are trusted leaders in their communities and are often the best positioned to effectively conduct outreach.
- CBOs can help ensure that information is understandable and accessible to community members, provide translation and interpretation at meetings, and co-host meetings in familiar locations.
- Providing CBOs with sufficient resources is critical for facilitating partnerships and outreach by CBOs.
- Relationships with CBOs should be ongoing and continuously improved over time.
- CCAs should value CBOs' time and expertise as formal partners.

ACCESSIBLE INFORMATION AND OUTREACH

- Accessible information and outreach are necessary to ensure that communities understand decisions and can provide input to shape those decisions.
- Information should be accessible, transparent, and responsive to the community.
- Outreach should employ various methods including workshops, virtual webinars, and presentations at existing community meetings or events; provide resources to community members to ensure participation; and be coordinated and facilitated with the community.
- CCAs should ensure that input from communities and from community advisory committee members drives decision-making and is fundamental to the decision-making process.
- Outreach efforts should be assessed for their accessibility and quality of engagement to determine ways to improve them.

COMMUNITY-DRIVEN LOCAL PROGRAM DESIGN

- CCAs should ensure that programs are designed to provide resilient, flexible, and responsive community-oriented solutions supported by effective energy democracy principles.
- Decision-making for local program design should be community-driven and prioritize Environmental Justice (EJ) communities.
- Local program design should consider: increasing access to jobs with living wages and economic opportunities for the community; development of local, renewable, and clean energy resources; procurement of renewable and clean energy resources that reduce air pollution and greenhouse gases; building community resilience to climate change-related impacts (e.g., power outages); protections for low-income ratepayers; and clear and transparent emergency programs in multiple languages to assist community members when emergencies (such as the COVID-19 pandemic) arise.
- CCAs should proactively design programs to meet the needs of EJ communities, and should provide technical assistance or support staff to assist EJ communities with applications for programs.
- CCAs should develop ways to prioritize the needs of EJ communities in their program design.
- CCAs should develop clear ways to evaluate EJ community priorities throughout the procurement process.



CEJA MEMBERS DOING LOBBY VISITS AT THE CA STATE CAPITOL

TRANSPARENT DECISION-MAKING

- All members of a community should be able to meaningfully participate in the decision-making processes that impact their lives.
- CCAs should take steps to eliminate cultural and language barriers.
- CCAs should take steps to promote broad and balanced participation by: ensuring access to technology used in the decision-making process, providing training in technology, and making language and sign interpretation available at all meetings.
- Decisions must be made in a way that is open, inclusive, and transparent. CCA decision-making meetings should be accessible, understandable, and open to the public.
- The decision-making process should allow for input to be given in a variety of formats and languages.
- CCAs should conduct meaningful outreach prior to these meetings and provide agendas and supporting resources for community members before the meetings take place. CCAs should make efforts to ensure that information about meetings is widely available by taking steps such as broadcasting the meetings on a local channel.
- CCAs should conduct meaningful outreach prior to these meetings and provide agendas and supporting resources for community members before the meetings take place. CCAs should make efforts to ensure that information about meetings is widely available by taking steps such as broadcasting the meetings on a local channel.
- CCAs should reflect the diversity of the community.

LOCAL AND STATE ACCOUNTABILITY

As representatives of local entities, CCAs should strive for accountability to the communities they serve, which includes representing community concerns as best as possible. At the same time, CCAs should be held accountable to meet statewide climate, environmental, and equity mandates. CCAs are a critical partner in ensuring that California meets its air quality and greenhouse gas goals and requirements.

To ensure local accountability, CCAs should:

- Adopt policies and requirements for energy equity and democracy.
- Conduct trainings on environmental justice.
- Provide clear and transparent information, assessment, and reporting.
- Provide opportunities for community members to participate in an advisory position on the CCA board.

To ensure state accountability, the following should be considered:

- The development of a statewide CCA organization that provides oversight and guidance on energy equity and democracy.
- Legislation that allows for CCA administration and statewide oversight of low-income programs.
- Requirements for CCAs to prioritize Disadvantaged Communities (DACs) and statewide environmental justice oversight.



About this Report

This report is an evaluation of how Community Choice Aggregators and utilities, in general, could implement an energy democracy framework for centering environmental justice communities in the energy system and empowering community-led decisionmaking. CCAs can be a model for energy equity and energy democracy by instituting policies and requirements regarding transparency, accountability, outreach, and a strong commitment to EJ community priorities. Several CCAs have already developed practices and programs to institute these policies, while others have not yet done so.

The goal of this report is to provide input for best practices, based on the recommendations of environmental justice communities. The report was informed primarily through feedback and input from

the environmental justice community member organizations of CEJA. It was also informed through input received in meetings with allies and partners, including CCA staff and clean energy advocates, though the findings and recommendations should not be attributed to organizations outside of CEJA.

These recommendations from our CEJA member and partner organizations are designed with our current best available information and experiences, which we hope will continue to evolve. Thus, the recommendations in this report are designed to represent the beginning of an iterative process in which community-based organizations, CCAs, environmental justice communities, clean energy allies, and other stakeholders can reach further conclusions and recommendations.

ABOVE: CENTRAL COAST ALLIANCE UNITED FOR A SUSTAINABLE ECONOMY (CAUSE) MEMBERS CELEBRATE PUENTE VICTORY, 2018



Introduction and Purpose

California's energy system is undergoing a significant and fundamental transformation. This shift includes changes in how electricity is generated, which entities buy electricity for customers, and how energy is stored. One key aspect of California's transformation is the increasing emergence of Community Choice Aggregators, or CCAs, which allow cities and counties to take control of the energy purchased for their jurisdiction. For decades, the majority of California's energy was purchased and sold by investor-owned utilities (IOUs). This dynamic is changing, as local city and county governments are forming CCAs with increasing

frequency. In fact, more than 10 million residents will likely fall within the jurisdiction of CCAs in upcoming years.¹ As CCAs are operating and being established across California, it is crucial for CCAs and local communities to discuss and formulate best practices for CCAs to follow in their decision-making process. Without identifying and following best practices, CCAs run the risk of perpetuating exclusionary and harmful practices that leave communities without a voice in the decisions that impact them. **As the California Alliance for Community Energy states, left to its own devices, a Community Choice program can “become just another**

rigid, business-as-usual bureaucracy that's out of touch with the needs of the community it serves, perhaps only marginally better than the competing investor-owned utility.”² While some CCAs have taken positive steps

toward energy democracy, concerns have been raised by local community groups that some CCAs are not responsive to community needs and have not involved communities in decision-making. Clear guidance is necessary to consistently promote energy democracy and transparency for environmental justice communities across California.

This report focuses on a specific goal of a CCA's operation—the achievement of energy democracy and energy equity for environmental justice communities in California. Although this report focuses on CCAs in California, these lessons can be applied more broadly to other states and other types of energy providers. Energy democracy generally means that communities should have agency and fair representation in shaping their energy future. Energy equity means communities should have equitable access to clean and affordable energy and the opportunities it provides. Black, Indigenous, and People of Color and low-income communities have disproportionately experienced the environmental burdens and related health problems associated with fossil-fuel energy generation. Energy equity and democracy is critical for these environmental justice communities, also known as “disadvantaged communities” in California, and referred to as such in this report.

Disadvantaged communities experience many environmental inequities. Dirty fossil fuel facilities in California are disproportionately located in the state's environmental justice communities,³ and disadvantaged communities disproportionately bear the adverse environmental and health impacts from the use of fossil fuels.⁴ Communities that bear a disproportionate impact of environmental pollution also tend to have a higher energy burden,⁵ making them more vulnerable to fluctuating energy prices and the expected increased energy needs due to climate change.⁶ Disadvantaged communities are also disproportionately impacted by

“With the passage of Senate Bills SB 350 and SB 100, California carved its path toward a future with significant greenhouse gas (GHG) and pollution reductions, to be achieved through greater reliance on clean and renewable energy and energy efficiency”

disasters, including flooding and wildfires.⁷ Because of these conditions, climate change will hit disadvantaged communities first and worst.⁸

Disadvantaged communities are also the least likely to benefit from California's transition to a clean energy future. The benefits of the transition to a green economy have not been spread equally throughout the state. For example, California has persistently lower levels of solar photovoltaic (PV) installation in the most disadvantaged communities.⁹ “[W]hile falling prices for PV systems and cost reductions for installation have resulted in an expansion of solar deployment to middle- and upper-income households, the same benefits have not yet accrued for low-income households on a larger scale.”¹⁰ As a recent study found, California's programs to subsidize rooftop solar and electric cars have disproportionately benefited wealthier homes, leaving behind lower-income families with significant energy burdens, even though they would benefit greatly from cost-saving clean energy technologies.¹¹

A critical component of California's transition to a clean energy future is ensuring that parts of the population are not left behind. “This ‘climate gap’ is of special concern for California, home of one of the most ethnically and economically diverse populations in the country.”¹²

Background



ELECTRICITY



DELIVERY



CUSTOMER

Overview of CCAs in California: Opportunities and Limitations

Community Choice Aggregation allows for local governments to purchase electricity on behalf of their community members, businesses, and municipal facilities.

Community Choice Aggregation was created in California in 2002 by Assembly Bill 117. AB 117 provided that the relevant investor-owned utility still maintains responsibility for providing transmission and distribution services, and continues to provide all metering, billing, collection and customer services to those who participate in a CCA.¹³

To establish a CCA, a city or a county, or two or more cities or counties, through a joint powers agreement, must pass an ordinance.¹⁴ When a community has established a CCA program, community members are automatically enrolled in the CCA, unless they opt-out, as long as customers have been notified in writing of their right to opt-out of CCA service.¹⁵ The California Public Utilities Commission (CPUC) has limited general oversight over a CCA. As is stated by CPUC:

Generally, we find that AB 117 does not provide us with the authority to approve or reject a CCA's implementation plan or to decertify a CCA but to assure that the CCA's plans and program elements are consistent with utility tariffs and consistent with CPUC rules designed to protect customers.¹⁶

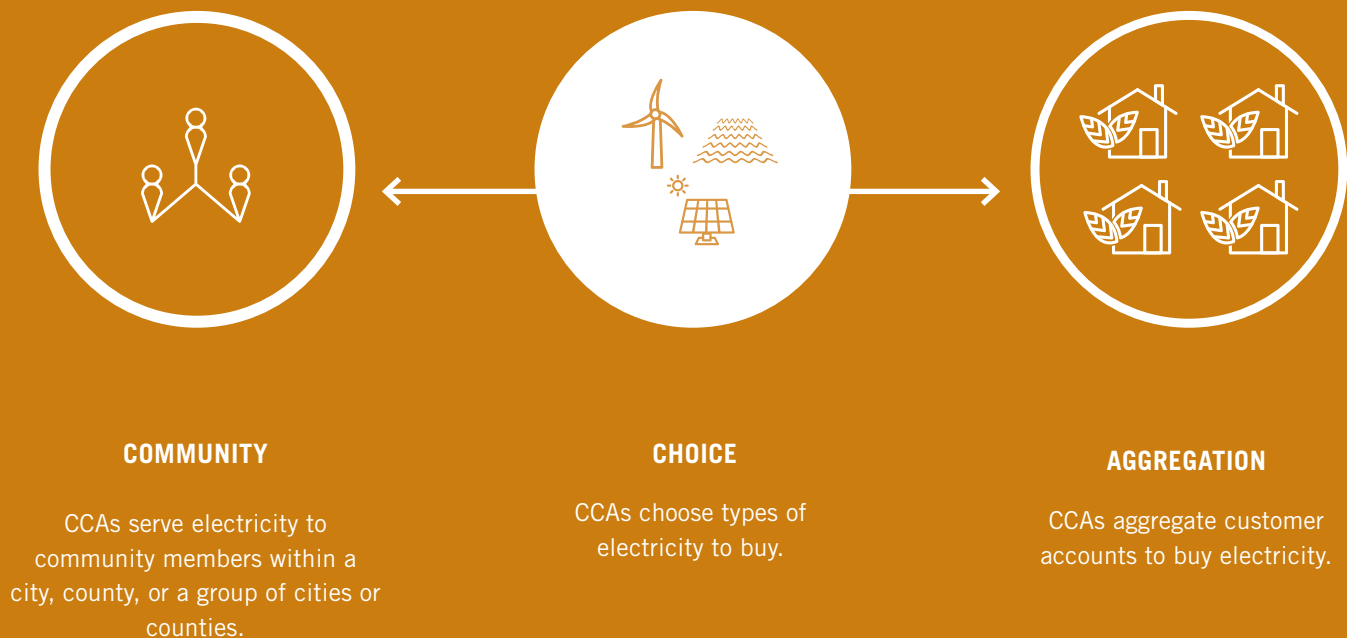
Pursuant to this general authority, the CPUC has adopted decisions and methodologies designed to

prevent cost shifting to those customers that still remain bundled customers.¹⁷

CCAs are new, thriving load-serving entities that are growing quickly in California and the United States.¹⁸ More than 10 million residents will likely fall within the jurisdiction of CCAs in upcoming years. The CCA model has the potential to offer greater local control of energy siting, customer choice of energy sources, workforce development, and consumer protection to many communities and to expand the use of clean energy across the state.¹⁹

CCAs are administered by city and county governments to provide an alternative to investor-owned utility sources. Publicly-owned utilities ("POUs") also provide an alternative to investor-owned utilities and are governed by locally elected officials, with key differences: the POU has greater responsibility for its energy system, and customers cannot "opt out" to be served by an investor-owned utility. POUs have significantly higher costs of entry for local governments. Local governments that desire the formation of a CCA can start their own CCA in their community, join an existing CCA, or launch a CCA in partnership with an existing CCA.²⁰ Although the CCA buys the electricity, the investor-owned utility still provides for the transmission, distribution, metering, billing, collection, and customer service. For this reason, the bill that a CCA customer receives will still come from an investor-owned utility.

CCAs are governed by a board or a council of local elected representatives. These officials oversee decisions regarding power purchasing, programs, and rate setting. Although community members can participate in an advisory (non-voting) capacity, all decisions are made by the board or council. CCAs all have different plans and programs related to clean energy goals, low-income outreach and programs, and involvement with local communities. CCAs have to meet the state's requirements for renewable energy and reliability. However, CCAs can decide what type of energy they want to build or purchase, whether or not to operate an energy efficiency program, and whether or not to have different rates for different times of day. Additionally, CCA members can participate in current low-income energy programs, such as California Alternate Rate for Energy (CARE).²¹



OVERVIEW OF CCAS







The CCA structure provides several opportunities for energy democracy, but it also has limitations. Given that CCAs are made up of local government entities, this brings opportunities for local engagement and a potentially more representative and community-driven body to work on energy generation and procurement. Thus, there is the possibility for community members to have more direct influence over their energy choices, and for CCAs to set even higher goals for clean generation than IOUs.

CCAs, by their design, also have limitations. For one, they are by definition dependent on investor-owned utility transmission and distribution infrastructure, and they often rely on utility-scale energy production from outside the service area. Furthermore, CCAs are not subject to all the same requirements as investor-owned utilities, including requirements meant to protect and benefit disadvantaged communities. These

types of limitations can make it even more difficult for communities to understand CCA policies because, unlike IOUs, there is no centralized regulator overseeing the process and no consistent requirements with regard to disadvantaged communities. Additionally, CCAs do not have the responsibility, as the provider of last resort, to ensure that all energy needs are met.

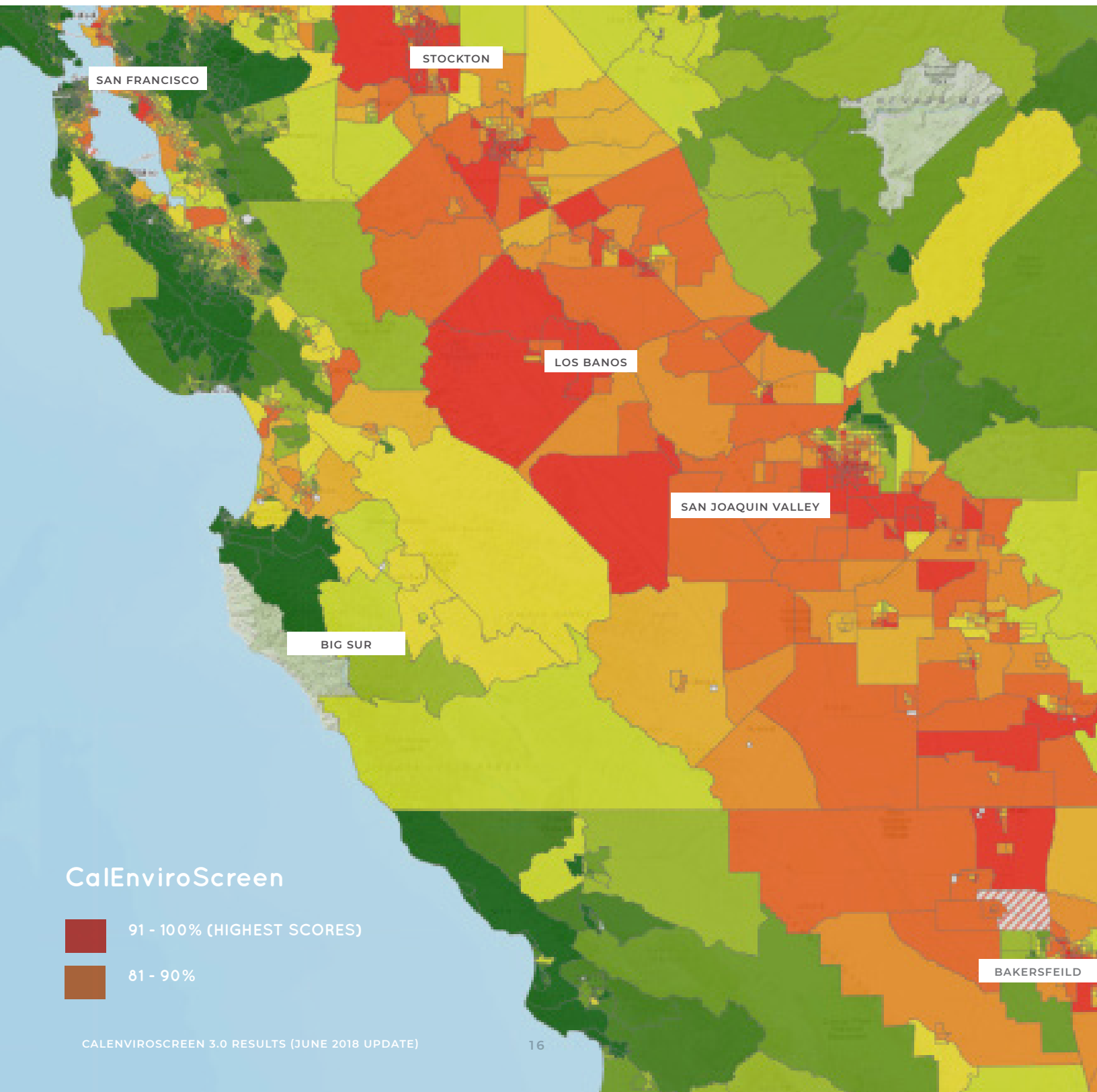
As California increasingly shifts to the CCA model, it is important to ensure that markers are put in place to give communities agency in the decisions that are being made. CEJA has developed this report, which identifies best practices, gives examples, and provides recommendations for concrete steps that CCAs can take to ensure that they achieve energy equity and democracy. The core of these recommendations and examples can also apply to other load-serving entities that exist in our current energy landscape, including investor-owned utilities and publicly-owned utilities.

DIFFERENCES IN IOU, CCA, AND POU OPERATION

| |  |  |  |
|---|---|---|---|
| SERVICE | INVESTOR OWNED UTILITY | PUBLICLY OWNED UTILITY | COMMUNITY CHOICE AGGREGATOR |
|  | IOU purchases power from a 3rd party provider | POU purchases power from a 3rd party provider | CCA purchases power from a 3rd party provider |
| PURCHASE POWER | | | |
|  | IOU maintains transmission and distribution lines | POU maintains transmission and distribution lines | IOU maintains transmission and distribution lines |
| MAINTAIN TRANSMISSION AND DISTRIBUTION LINES | | | |
|  | IOU provides the majority of customer service | POU provides the majority of customer service | IOU provides customer service |
| CUSTOMER SERVICE (I.E., BILLING AND QUESTIONS ABOUT BILLING) | | | |

2

Identifying and Describing Environmental Justice Communities in California



As an initial step to ensure energy equity and democracy, CCAs should adopt a clear and transparent definition of environmental justice (EJ) and low-income communities that can be used across programs to prioritize procurement and decision-making considerations.

CalEnviroScreen is a tool that provides a clear, consistent definition of disadvantaged communities. The California Environmental Protection Agency (CalEPA) developed CalEnviroScreen to “identify communities in California most burdened by pollution from multiple sources and most vulnerable to its effects, taking into account socioeconomic characteristics and underlying health status.”²² CalEnviroScreen, which was developed through a lengthy public process, has become an important tool for advancing environmental justice. Having been vetted by environmental justice academics and advocates over a number of years, CalEnviroScreen provides decision-makers with a clear, credible, and scientific methodology for identifying disadvantaged communities.²³

CalEPA recommends adopting a definition of disadvantaged communities as those communities that score at, or above, the 75th percentile in the CalEPA’s CalEnviroScreen 3.0 on a statewide basis.

This definition also includes “census tracts that score in the highest 5% of Pollution Burden (within CalEnviroScreen), but do not receive an overall CalEnviroScreen score due to unreliable public health and socioeconomic data.”²⁴ CalEPA included these census tracts

in its definition because they are often located in rural areas with low population and adjacent to census tracts that score in the top 25% of CalEnviroScreen census tracts.²⁵ These include 22 census tracts that are significantly impacted by the most hazardous pollution sources in the state, including ports, airports, and heavy industrial areas.²⁶ The California Public Utilities Commission (CPUC) previously included these census tracts in the definition of disadvantaged communities in the Integrated Resource Planning proceeding.²⁷ The definition of disadvantaged community should also include tribal lands. This is crucial for increasing equity, particularly given that some tribal communities would not otherwise be identified within CalEnviroScreen’s top 25% of census tracts.

CalEnviroScreen is currently the leading assessment framework that distills layers of complex and comprehensive information into a format usable for broader policy decisions.²⁸ Using a clear definition will promote transparency and ensure that disadvantaged communities can be considered in decision-making.

There are several different definitions of “low-income”, depending on the context. For example, AB 1550 defines low-income households as: “those with household incomes at or below 80 percent of the statewide income or with household incomes at or below the threshold designated as low-income by the Department of Housing and Community Development’s list of state income limit.”²⁹ Another definition is provided by the California Poverty Measure, which accounts for local costs of living.³⁰ Using this measure, 21 percent of Californians live in poverty, and another 20 percent live near the poverty line. Different energy programs have their own eligibility thresholds. For example, the California Alternative Rates for Energy (CARE) program has an eligibility threshold of 200 percent of the federal poverty level. However, not all eligible low-income customers are on CARE rates.³¹ Given the differences among potential measurement techniques, the California Energy Commission’s Barriers Report chose not to adopt a definition of low-income,³² and a specific definition for low-income is not recommended here.



When CCAs develop a program, it is important to ensure that the populations most vulnerable to rising energy prices are protected. This should include meaningful prioritization of vulnerable communities when developing programs and targeting actions that maximize benefits to impacted communities most in need. This is accomplished by balancing inclusivity of the many low-income community members, with an understanding that an overly broad threshold weakens the impact of the intended support.

When thinking about how to ensure that disadvantaged and low-income communities and residents are considered in energy decisions, it is important to start by considering the general characteristics of these populations.

Many of these characteristics translate into barriers that can inhibit the ability of households to participate in

the transition to a greener, cleaner grid. For example, due to the high number of tenants, home ownership can often be a barrier for any type of capital development. These barriers often lead to disparities in the adoption of programs that lower energy costs. This is why many high-density, low-income areas in Los Angeles served by Southern California Edison score low on the amount of net-energy metered rooftop solar per 1,000 people.³³

Disadvantaged communities also face disparities in air pollution burden. In particular, a disproportionate share of peaker power plants are located in disadvantaged communities.³⁴ Furthermore, these communities have not had the same economic and environmental benefits from the transition to a clean energy economy. The benefits of residential solar adoption in California have largely bypassed our state's most vulnerable populations.³⁵

RICHMOND

The Richmond community, located in the San Francisco Bay Area, faces increased environmental, economic, and social burdens. This is due to its low socioeconomic status, housing burden, distance from health services, and cumulative impacts from hazardous waste sites, the Richmond port, and the Chevron oil refinery. Richmond contains various sources of air pollution, including major industrial activities, port activities, and three major highways with high traffic volume. Richmond is recognized as one of California's communities that is most overburdened by pollution and poverty. Some areas in Richmond score in the 90th to 95th percentile on CalEnviroScreen, with significant linguistic isolation among immigrant and refugee communities, such as Latinx and Asian American households. These census tracts are around 60 percent Latinx and 30 percent African American. Asthma rates are in the 100th percentile--the highest in California. The area's hospital closed in 2015.

Since the 1980s, Richmond has been home to many Southeast Asian refugees, who were uprooted from their homelands by the Vietnam War, and who now live on the fence line of the Chevron Refinery. They experience impacts from contaminated air, soil, and water due to close proximity to industrial sites and toxic hazards. A major chemical explosion at the Chevron Refinery in March 1991 revealed Contra Costa County's inadequate emergency response system, as many of the area's non-English-speaking residents were poorly informed of emergency safety procedures.

OXNARD

In the Oxnard community of Ventura County, the densely-populated Southwinds neighborhood near Ormond Beach is in the 95th percentile for poverty, 93rd for housing burden, 99th for education access, and 99th for linguistic isolation. Here, many residents primarily speak Indigenous languages from Southern Mexico, and several families may live in one apartment. Many residents perform agricultural labor in nearby fields and have attained only an elementary school level of formal education.³⁶ The neighborhood is burdened by a Superfund toxic waste site, diesel trucking from the nearby port, a paper mill that is one of the county's biggest polluters, and exposure to high levels of agricultural pesticides.

As shown by these examples, communities across the state face many different, compounding burdens and have different conditions and populations. Hence, although there are unifying and related best practices to be shared, achieving energy equity and democracy for each community must be tailored to their specific needs.

CEC'S SB 350 BARRIERS REPORT



33%

of California households are classified as low-income

70% of California's low-income population are renters



47%



California's low-income population live in multi-family housing



54%

of California's low-income population speak a primary language other than English



64% of California's low-income population identify as nonwhite.³⁷



Methodology

The goal of this report is to provide input for best practices, based on the recommendations of environmental justice communities, that call for: community engagement and local program design; partnerships and engagement with community-based organizations; transparency in decision-making; and accountability to the public, especially EJ community residents.

The scope of this report was primarily informed through feedback from two meetings. The first meeting focused on grassroots environmental justice organizations that are members of CEJA. In that meeting, the organizations identified areas of interest for exploration in the report, along with potential best practices and policy ideas. In the second meeting, CEJA discussed these issues with CCA representatives and other environmental and community-based organizations in order to gather additional ideas for the development of these best practice recommendations. CEJA then held several follow-up discussions with community and CCA representatives to gain additional insight. Based on the information gathered in these meetings, we conducted a literature review of studies and reports on energy equity and democracy, and related examples. This information

provides the basis for the report's recommendations and analysis. After these initial scoping events, another meeting was held to review the draft report with the local organizational members of CEJA.

The findings in this report do not represent the opinions of the individuals and organizations outside of CEJA who participated in the meetings and discussions leading to this report. While these meetings and discussions informed the report, the findings reflect the collaborative views of CEJA organizations.

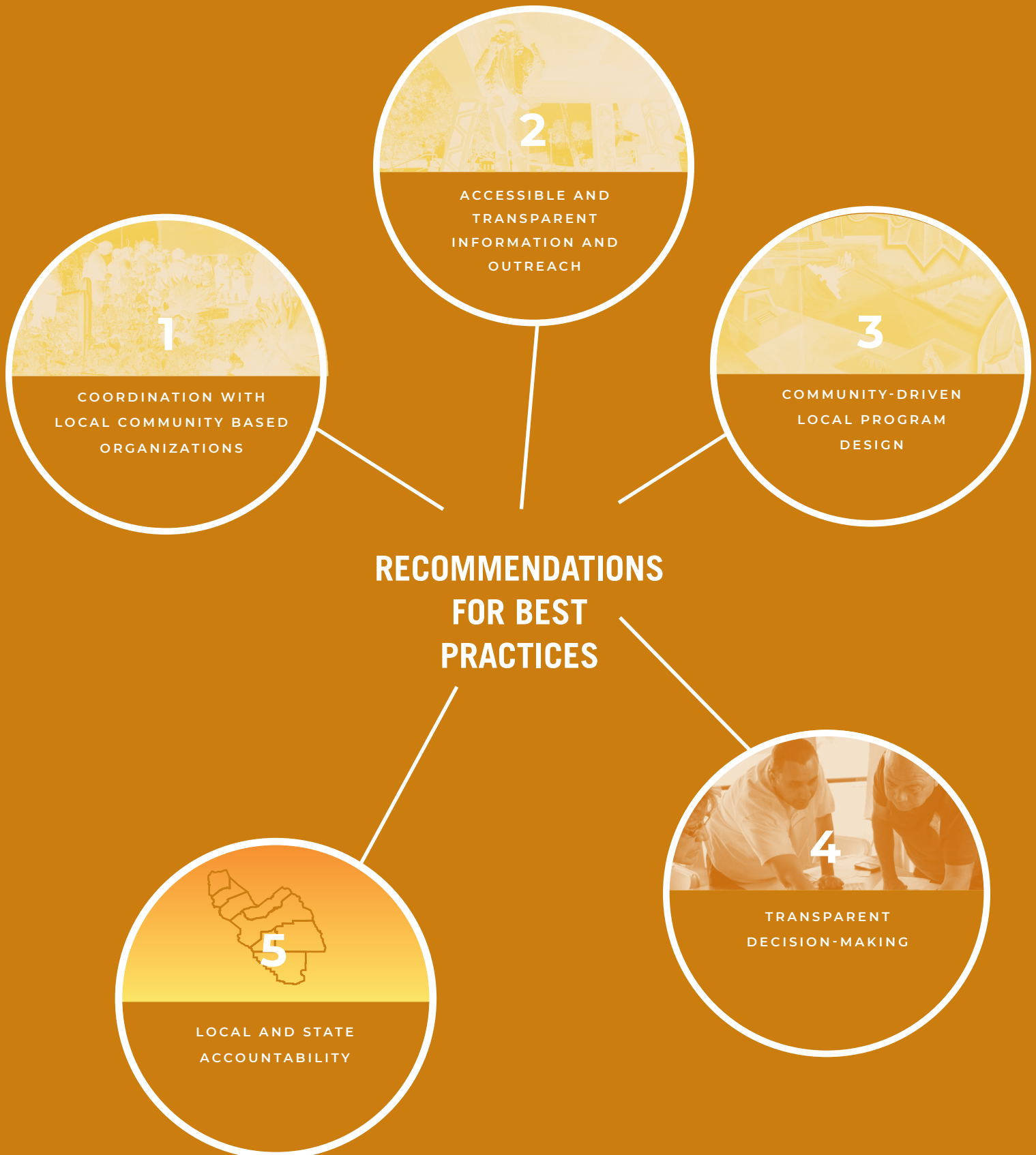
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ABOVE: COMMUNITY MEMBERS REVIEWING MATERIALS
DURING SOMAH PUBLIC WORKSHOP IN OAKLAND

To make strides
toward achieving

**ENERGY
EQUITY
+
ENERGY
DEMOCRACY,**

the report recommends
five focus areas.



For each of these focus areas, this report recommends that CCAs strive to meet several goals aimed at achieving best practices.

The table below summarizes these recommendations and provides an assessment tool with a series of questions CCAs and communities can use to evaluate their progress in achieving energy equity and democracy.

| FOCUS AREA | ASSESSMENT QUESTIONS | |
|---|---|---|
| 1 COORDINATION WITH LOCAL COMMUNITY-BASED ORGANIZATIONS (CBOS) | <ul style="list-style-type: none"> Has the CCA identified DACs and low-income communities within its service territory? Has the CCA identified languages spoken in DACs and low-income communities? Has the CCA identified and coordinated with relevant CBOs in these communities to facilitate community input and outreach? | <ul style="list-style-type: none"> Has the CCA ensured that the relationships with CBOs are ongoing? Does the CCA value the time and resources the CBOs devote to the process? |
| 2 ACCESSIBLE INFORMATION AND OUTREACH | <ul style="list-style-type: none"> Has the CCA made efforts to ensure that its information is accessible, transparent, and responsive to EJ communities? Has the CCA ensured that its outreach uses various methods, provides resources to engage, and is coordinated with the community? | <ul style="list-style-type: none"> Has the CCA ensured that the input obtained in outreach drives and is fundamental to decision-making? Has the CCA maintained, evaluated, and improved relationships among CCAs, the community, and CBOs over time? |

FOCUS AREA

ASSESSMENT QUESTIONS

3

COMMUNITY-DRIVEN LOCAL PROGRAM DESIGN

- Has the CCA developed a process to ensure that its program design is community-driven?
- Has the CCA devised a process to consider whether potential resources and programs provide benefits to DACs?
- Are CCAs proactively designing programs to meet needs identified by communities?
- Does the CCA evaluate job benefits, local distributed energy development, and environmental benefits in the procurement process?
- Does the CCA have a method for prioritizing procurement that provides jobs and economic development opportunities, local distributed energy resources, air quality, low-income optimization, and protections for DACs during emergencies?

4

TRANSPARENT DECISION-MAKING

- Has the CCA taken steps to eliminate cultural and language barriers?
- Does the CCA promote broad and balanced participation?
- Does the CCA ensure access to the technology necessary to participate in the decision-making process?
- Does the decision-making process allow for input to be given in a variety of formats and languages?
- Does the CCA reflect the diversity of the community?

5

LOCAL AND STATE ACCOUNTABILITY

LOCAL RECOMMENDATIONS:

- Has the CCA adopted policies and requirements for energy equity and energy democracy?
- Has the CCA conducted training on environmental justice?
- Does the CCA provide clear and transparent information, assessments, and reporting?
- Does the CCA provide opportunities for community members to participate in the decision-making process?

STATE RECOMMENDATIONS:

- Does the CCA meet statutory climate and equity goals and requirements?
- Has the CCA contributed to a diverse, statewide resource portfolio?
- Does the CCA center statewide equity goals?
- How do the CCA's equity-oriented programs compare with its neighboring utilities?

The following discussion describes the importance of each of these components and provides examples of best practices.

CECE CARPIO PAINTING



1

Coordination with local community-based organizations

When designing outreach and material, a CCA should first identify the disadvantaged and low-income communities in its territory and the languages spoken there. This identification should utilize a well-understood and transparent definition, and ensure that communities are not left behind. To identify languages that are spoken in a given area, a CCA can utilize the American Community Survey information from the U.S. Census Bureau and the California Complete Count.³⁸ Particular care should be taken to identify communities that speak Indigenous languages because these communities are often left out of census and other information used to identify languages spoken.³⁹ This information will help the CCA identify relevant community-based organizations in low-income and disadvantaged communities.

Coordination with local, on-the-ground organizations is essential to help overcome some of the language and trust barriers that CCAs are likely to face when working with a community. Coordination with CBOs and other local organizations is also crucial to ensure that potential programs and resource decisions are driven by community input. This type of coordination can deliver a more holistic picture to CCA boards about which programs and workforce development opportunities residents want to see in their communities. Many local organizations work to generate this input by integrating members

into existing networks, engaging community leaders, and coordinating local meetings aimed at building upon community expertise.⁴⁰

Some organizations have developed effective processes for identifying what languages are spoken, and how information is best communicated. For example, CEJA hosts an annual statewide gathering, where it actively engages community members from each of its member and partner organizations. In addition to English and the other statutorily-required languages, CEJA member language needs include Mien and Hmong, among others. CEJA has been successful not only in communicating with people who speak many different languages, but also in engaging them to give input and act as decision-makers.

CBOs are leaders in their communities, and often best understand how to effectively conduct outreach with communities. CBOs can also help ensure that information that is being presented by CCAs is understandable and accessible to community members. They can provide translation and interpretation at meetings, and co-host meetings in familiar locations.⁴¹

If a trusted community-based organization is not available, CCAs can collaborate with non-profits in other sectors, such as housing and community development, faith-based organizations, or other local service providers. When creating a relationship with a CBO, the CCA should be clear about the needs, time requirements, and resources available. The CBOs' expertise and time provide valuable connections and often require additional resources. Providing funding for CBO outreach can help ensure that the CBO can deploy the necessary resources to engage their communities in CCA processes.

There are several examples of CBO partnerships used to help perform outreach and ensure information is accessible. The CBO-led approach for outreach was effective in the California Public Utilities Commission's San Joaquin Valley proceeding. Best practices from the Commission's San Joaquin Valley Affordable Energy Proceeding resulted in meaningful community engagement, where community preference formed a

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guiding principle for the authorization of affordable energy pilot projects and a community energy navigator role was poised to continue community engagement throughout deployment of pilot projects.⁴² The San Joaquin Valley proceeding focused on a community-led design that directly engaged with targeted San Joaquin Valley residents throughout the pilot design process and integrated their feedback into decision-making. This community-led process helped to ensure that outreach was effective and accessible. Importantly, the design process was led by a team of local, trusted community-based organizations with a collective 80 years of experience serving the target communities. This process showed that trust and local organizing experience can be more impactful to residents than solely knowledge and experience in energy, decarbonization, utilities, or commission procedures. For greater effectiveness, community-based organizations partnered with technical experts familiar with Commission processes and energy.

CCAs have also started to develop relationships with CBOs to help facilitate community input and outreach. For example, East Bay Community Energy (EBCE) has worked with the Asian Pacific Environmental Network (APEN), the Local Clean Energy Alliance, and other local organizations to ensure that the community’s values are heard. As part of this process, EBCE offered a set of grants to CBOs to create potential energy projects for

planning and deployment.⁴³ The Clean Power Alliance, Peninsula Clean Energy, and Monterey Bay Clean Power have also contracted with CBOs to help with community engagement with customers in their service areas.⁴⁴ This type of solicitation for assistance with outreach and communication provides a valuable example of how to engage a local organization to assist CCAs with reaching some of the hard-to-reach community members. In addition, Marin Clean Energy formed a Community Power Coalition with advocates from 35 local organizations, including APEN and Communities for a Better Environment (CBE), to discuss regulatory and legislative issues, provide feedback on procurement and programs, build community awareness, and hear updates on the Community Choice movement.⁴⁵

When looking for partnerships with CBOs, it is important to recognize that many CBOs have resource constraints and may only be able to participate in limited ways, unless they receive additional resources to help with their participation. Grants like those Clean Power Alliance are offering are helpful, but may not eliminate all the limitations that some organizations have on time and capacity. It is useful if CBOs can have a variety of ways to participate and partner with CCAs, depending on their internal limitations. Sometimes the most productive partnerships are formed by CCA staff going to already-scheduled CBO meetings.

Why does environmental justice matter?

People of color and low income communities are living, working, and playing in the state's most polluted environments.

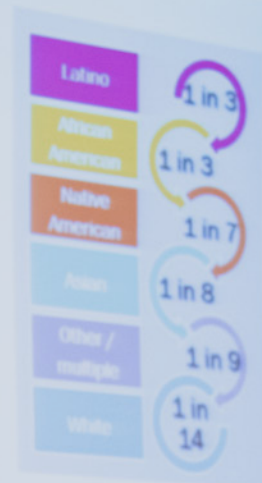


Figure 4: Fraction of Each Racial/Ethnic Group Living in the Top 20% Census Tracts.

2

Accessible Information and Outreach

A key environmental justice principle is engaging communities to give them a say in decisions that impact their health and well-being. CCAs can offer a critical opportunity for locally-based decision-making by meaningfully involving communities in decisions that impact them. Accessible and understandable information and outreach is essential to provide this opportunity.

Environmental justice community members face a number of barriers to engaging in outreach including: the inability to make meeting times or get to locations; language barriers; lack of resources such as transportation,

childcare, time, and familiarity with technical energy processes; and a history of exclusion and marginalization in these settings.⁴⁶ In order to obtain meaningful input from community members, these barriers must be addressed. CBOs and CCAs should make it a priority to provide energy literacy so that community members can participate in an informed manner. For example, the Local Clean Energy Alliance has worked to mobilize its community to advocate on behalf of its own energy needs by organizing monthly “Clean Power to the People” workshops, in which participants learn about current energy issues and opportunities in their area.⁴⁷

Input from the community is important because community members are experts about their communities.

Outreach, accessible and transparent information, and coordination with CBOs are essential first steps for equitable and just energy management. “Insufficient outreach and education are critical barriers to expanding energy efficiency and renewable energy resources in disadvantaged communities.”⁴⁸

In the SB 350 Barriers Study, the CEC found that its outreach to disadvantaged communities “provided an opportunity for community members to speak about experiences with renewable energy, energy efficiency, and weatherization programs.”⁴⁹ The CEC further found that its outreach provided “crucial insights, such as grassroots desire to participate in community solar projects, potential participants’ interest in energy upgrades for the related non-energy benefits, and a degree of skepticism toward government action and program offers.”⁵⁰ The CPUC has also noted the benefit of including meaningful public participation when examining energy procurement.⁵¹ Creating a public process is a critical component to achieving energy democracy and encouraging communities to speak for themselves and advocate for their interests.

Insufficient outreach can result in programs not reaching the communities that need them most. Low-income customers may distrust programs marketed to them unless an organization that they trust is included in the outreach. Language barriers can also inhibit participation. For example, an analysis of California energy programs found that households that speak Asian languages “have lower participation rates than low-income households in general, suggesting the need for more exploration of their needs and opportunities to engage them.”⁵²

CCAs should utilize best practices related to outreach and coordinate with CBOs to ensure that information is transparent and accessible. This is especially important when a CCA is being developed and when it is choosing its energy resources. There are a number

of sources to draw on for establishing best practices in outreach that can help CCAs create a meaningful public process in disadvantaged communities. The CEC initiated a stakeholder process with disadvantaged communities related to SB 350 implementation that utilized some of these elements.⁵³ The San Joaquin proceeding at the CPUC provides another example of best practices. In addition, CEJA’s SB 1000 Toolkit describes the elements of meaningful community outreach in detail.⁵⁴ The discussion that follows draws on these and other sources.

Importantly, there appears to be wide agreement among CCAs about the need to meaningfully engage with communities. CalCCA has stated that a best practice is “engag[ing] meaningfully with the community and provid[ing] responsive equitable service” along with “transparent and culturally appropriate outreach.”⁵⁵

There are also examples of best practices being developed by CCAs. For example, Clean Power Alliance solicited applications from community members to join a community advisory committee.⁵⁶ Marin Clean Energy formed community advisory committees that engaged community leaders to help with outreach.⁵⁷ This type of partnership with communities can help ensure that accessible information is made available. These examples of outreach to disadvantaged communities can be taken as models for existing and emerging CCAs. A clear plan for outreach is critical for ensuring that communities have a real voice in decisions that impact them.

Although CCAs are developing their own best practices around outreach and transparency, these processes have room for improvement. It is important to develop specific markers to ensure ongoing improvement. The list below summarizes some best outreach practices that were identified through stakeholder discussion and literature review. It is important to keep in mind that outreach and information must be specifically tailored for the particular community or communities it is meant to engage.



JUAN FLORES SPEAKING AT CONGRESO 2019 AWARDS CEREMONY

I

CCA INFORMATION SHOULD BE ACCESSIBLE, TRANSPARENT, AND RESPONSIVE

To overcome some of the barriers faced by environmental justice communities, information related to CCAs should be accessible, transparent, and responsive to communities. There are many barriers to providing accessible information, especially considering how technical and complex CCAs and all utility operations

are. A CCA is also a new and unknown concept to most people. Many CCA customers are not even aware that their energy services have changed because the bill is still coming from the IOU. To ensure that customers are aware of CCAs and their operations, CCAs should proactively work with CBOs and local organizations to develop accessible information.

Some of the technical challenges to presenting accessible information are not unique to CCAs, but they do present some new challenges. For example, it can be confusing to community members to understand the design of CCAs, since they only control part of the energy system, and the bills they receive still come from the investor-owned utility. Furthermore, communities often don't trust new energy entities.

One example of confusion that a community organization raised was the description and the decision-making process about a CCA's default level for energy services. CCAs make these decisions in different ways, and information related to this should be transparent and accessible. Other CCA matters that can be difficult to understand are customer options for energy portfolios, which options are available to move to higher green portfolios, where the energy comes from, and how energy decisions are made.

⁵⁸Accessible and clear information is a critical initial step toward conveying this complex information, so that community members can fully understand the decisions being made about their energy.

OUTREACH TACTICS



SOCIAL MEDIA

OUTREACH TO TRUSTED
COMMUNITY ORGANIZATIONS

TEXT MESSAGES



PHONE CALLS



PAID AND EARNED MEDIA



OUTREACH SHOULD USE DIFFERENT METHODS, PROVIDE RESOURCES TO ENSURE PARTICIPATION, AND BE COORDINATED AND FACILITATED WITH THE COMMUNITY

Outreach should be designed with the community in mind. It should use a variety of tactics that fit the targeted communities' needs and preferences including, but not limited to: **phone calls, door-to-door outreach, text messages, emails, in-person meetings, virtual meetings, virtual webinars, one-on-one meetings, written surveys, and oral surveys.** The type of outreach deployed will depend on the needs of the community.

Potential communication channels can include text messages, live or pre-recorded phone calls, paid and earned media (print, radio, and online), social media, outreach to trusted community organizations and community leaders, and in-person meetings.

Text messages can be effective if community members have high rates of literacy in their native languages, and if community members tend to keep the same phone number over a long period of time. These two factors are not always present. Some languages, such as Shoshone,⁵⁹ have limited or no written form. Others, like the Hmong spoken in Laos, have developed written forms, but are not widely taught, so native speakers living in California may not understand texts sent in their native languages.⁶⁰ Additionally, community members in English-limited communities rely on a series of inexpensive “burner” phones that they acquire as needed. Each disposable phone comes with a different phone number, so community members may not receive text messages sent to a previous phone number.

When community members maintain a consistent phone number, phone calls in their language can be very effective. This allows people to ask questions and gain clarity on the information the utilities are conveying. If misinformation is being shared within a community, direct interpersonal communication can be useful for clearing things up. This also allows the utility to confirm that the message was conveyed to the target person and that they understood it. In cases where individual calls made by people are not possible, pre-recorded in-language messages could be effective, although they are generally less so. As noted for text messages, phone numbers may change more frequently than anticipated. Where a relationship has already been established, utilities can provide a phone number for community members to call to get information in specific languages.

Paid and earned media can reach some community members. Some English-limited communities are served by specific news outlets. For example, Radio Indígena in central California broadcasts in several Indigenous American languages.⁶¹ Online media can be helpful, as well, although some community members may have less internet and broadband ac-

cess than the population-at-large. Many English-limited communities are strongly connected through social media, such as WhatsApp, WeChat, and Facebook. Some social media accept paid in-language advertising. For others, utilities would have to build relationships to convince communities to “follow” their posts.

Leaders in English-limited communities already have effective outreach methods. **Trusted organizations can partner with utilities to establish phone trees, connect through social media, disseminate information, and share in-person meeting schedules and locations.** CBOs can help identify community members that speak other languages, or use other modes of communication.

Outreach should be designed to provide resources that help ensure participation. For meetings, this includes making sure the meeting location is accessible, and that food and child-care are offered if they are factors that make it possible for community members to participate. Virtual options should be made available to participants who might not be able to attend in person due to transportation, child-care, time, or location limitations. Marin Clean Energy has noticed an increase in attendance since the COVID-19 pandemic began, due to the switch to virtual meetings. This can be taken as a lesson to diversify meeting options post-pandemic as well.

Outreach should be conducted in the languages spoken by the community, and translation services should be made available for additional languages. Before conducting meetings, the community should be given a clear and transparent timeline with advanced notice. Translators and interpreters should be made available, and the meeting should use engaging and diverse modes of communication. Meeting content should be accessible to all skill levels in the community and be designed to build up a baseline of knowledge about energy and energy issues.

Often, a barrier to meeting participation is esoteric language designed to make decision-making spaces inaccessible to community members. Reducing the use of acronyms and defining technical terms can lower this barrier. Engaging community members through popular education, visual and activity-based learning, and group discussion can make meetings more useful for the community and make it more likely that people will continue to participate. For example, some of the most effective ways to engage a community in demand-side type programs, such as solar installations and energy efficiency improvements, could include: demonstrating deployment in the community; providing support to people navigating the program application process; outreach through community-based organizations; and meeting childcare, food, and other needs to recognize the value of community members’ time.

For the San Joaquin Valley proceeding at the California Public Utilities Commission (CPUC), outreach was conducted in the language spoken by the community in a culturally sensitive and locally relevant manner.⁶² The outreach was community-led and facilitated by residents of the targeted communities. Translation and interpretation in Spanish were available at all public meetings and in all outreach. Summaries of the written proposals were also provided in Spanish. Outreach began with a series of needs assessments for targeted communities, which took place over several months. Residents led tours of the communities for decision-makers and CPUC staff early in the planning process. These were followed by a series of in-person, in-community opportunities for public comment on defined questions, as a way to identify and utilize community preferences as a guiding principle for selecting criteria. There were also weekly calls among representatives of community-based organizations, utilities, and proposed project administrators.



III

OUTREACH AND COMMUNITY ADVISORY ROLES SHOULD BE STRENGTHENED TO ENSURE THAT COMMUNITY INPUT AND PREFERENCES DRIVE DECISION-MAKING

In addition to adequate and accessible outreach, it is important to guarantee to community members that their input will be taken into account. **In other words, community engagement cannot simply be a box to check off. Rather, community input should be used to help define CCA decisions and resource procurement.**

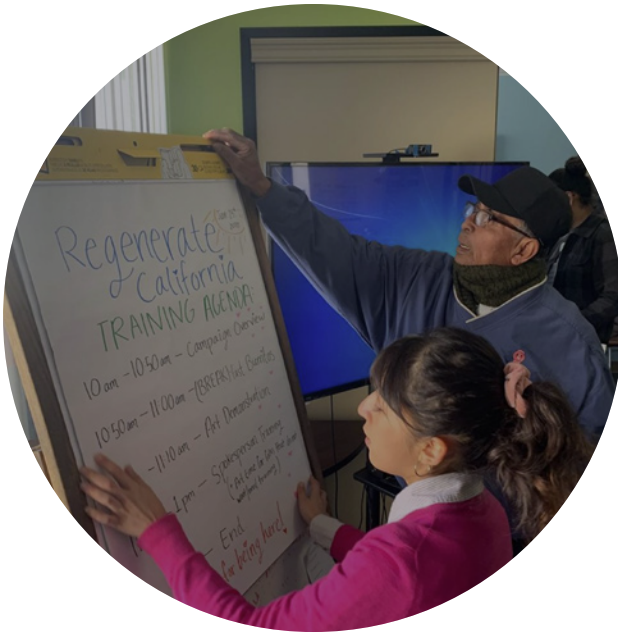
Community input should be fundamental to the process of defining values for procurement decisions. It should establish the resources and opportunities people

want for their communities, and define the overarching values of the CCA. Outreach will be more successful if communities are convinced that their input and expertise is valued.

Community members have many demands on their time, and they will want to prioritize those where their participation matters. For example, in the San Joaquin Valley proceeding, ensuring community preference for pilot projects was critical for selection criteria. The

involvement of Commissioner Guzman-Aceves, who spoke Spanish with Spanish-speaking residents at public meetings and expressed respect and gratitude for their participation, helped demonstrate the commitment to take community input seriously.

In addition, CCAs should further formalize and strengthen existing community advisory committees or groups and establish them in CCAs that do not yet have them. Existing community advisory committees have inherent limitations on community influence because community advisory committee members lack voting authority. To ensure a stronger representation of communities, CCAs should consider increasing the number of community members allowed on a community advisory committee. They should also publicly track the ways in which communities' needs are addressed in decisions and how input from the community advisory group drives the decision-making process. Finally, as further discussed below, we recommend considering legislation that provides voting power for community advisory committee members.



LEFT: REGENERATE CA HOSTS A GAS PLANTS 101 TRAINING

➤ **Metrics for telephone calls** include the number of calls answered

➤ **Metrics for media** include the number of media carrying the information, size of circulation (if print), size of listenership (if radio), number of “clicks” (if online)

➤ **Metrics for social media** include the number of shares

➤ **Metrics for outreach** through trusted leaders and organizations and community engagement include the number of meetings held, number of participants in each meeting, and the number of participants who indicate contact information so they can be reached regarding an event

Metrics can be used to assess whether communications are understandable.⁶³ This can be evaluated through surveys or evaluations conducted by community-based organizations or an independent evaluator.

In the San Joaquin Valley Proceeding, CBOs exercised leadership in collecting information gained through outreach along with an assessment of the outreach process.⁶⁴ In particular, the California Public Utilities Commission (CPUC) directed community-based organizations to collect information from targeted communities and submit it to the proceeding's record. The CPUC also extended a formal leadership role to community-based organizations leading on community outreach and needs assessments. The CPUC further directed investor-owned utilities to collaborate with community-based organizations.

Outreach with clear and accessible information is a critical first step to designing an equitable and just CCA. This provides the backbone to ensure the program design reflects the needs and input of communities.

IV

RELATIONSHIPS AMONG CCAS, THE COMMUNITY, AND CBOs SHOULD BE DEVELOPED, MAINTAINED, EVALUATED, AND IMPROVED OVER TIME

Relationships among CCAs, the community, and CBOs should be designed to continue throughout the entire course of a CCA's operation. To reap the benefits of involving the community in decision-making, the relationship must be maintained and developed over time. Some ways to promote long-term commitment include periodic evaluations of outreach efforts and strategies and scheduling regular community meetings to report on progress. It is important to continue to be transparent to the community about decisions being made so that communities can engage in and influence them.

The outreach process and the accessibility of information should be evaluated to determine how to improve them. The

metrics for assessing the success of outreach should focus both on how well it reaches isolated populations and how well the information is understood. Outreach will not be successful if the information is not understood because the communication takes place through media that is not accessible to the community or if the information is too technical or difficult to understand.

Some ways to measure whether different outreach methods are reaching the intended population include:

➤ **Metrics for text contact** that include the number of confirmed “read” messages (text messages should be set up to request recipient response)

3

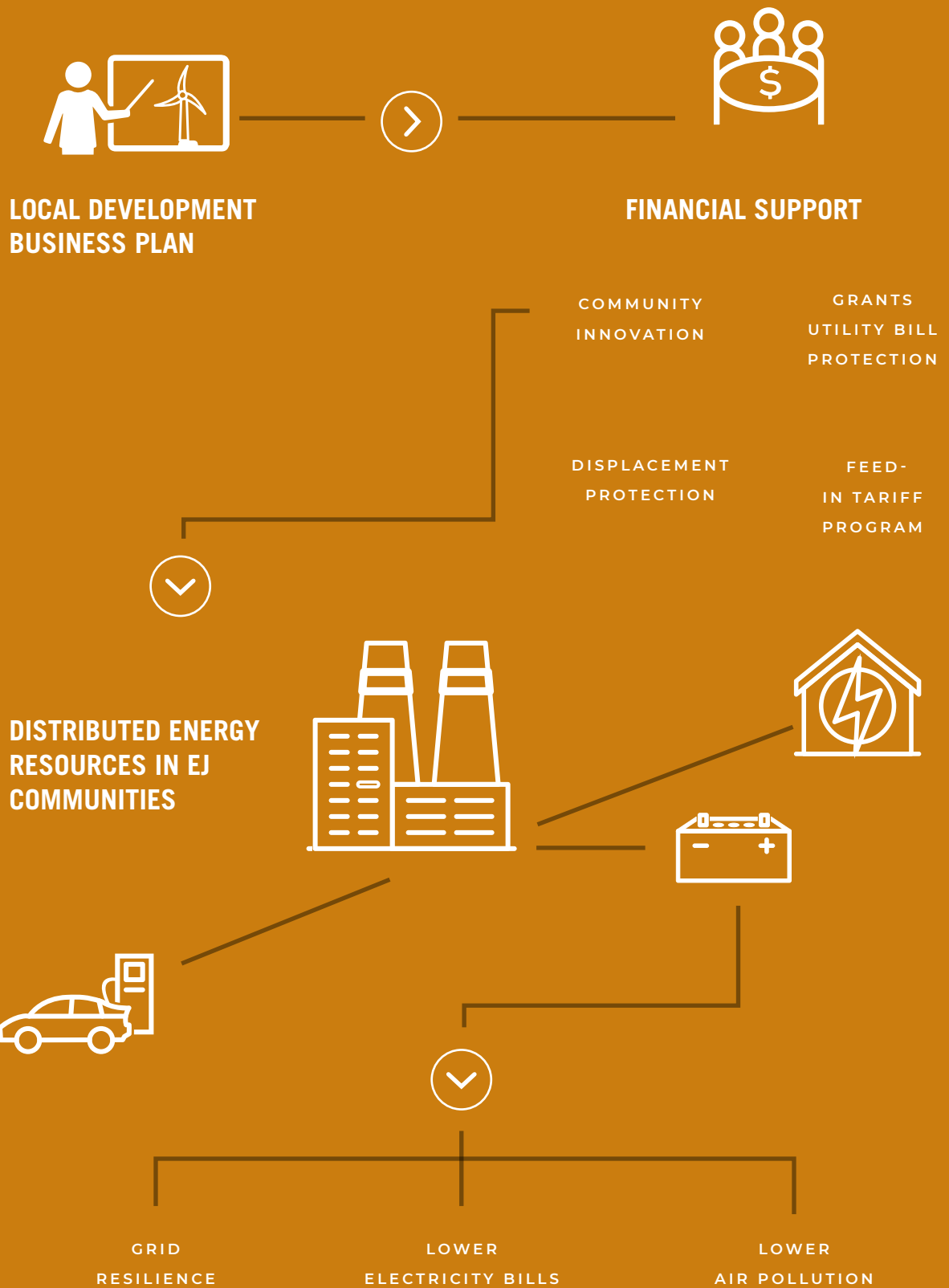
Community-Led Local Program Design

CCAs should privilege input from disadvantaged communities and the public when determining how to prioritize resources to strengthen diversity, sustainability, and resiliency. Planning should be carried out through a public process. As CalCCA states, a best practice for CCAs would be to “[s]erve community identified goals and local policy objectives, including greenhouse gas reductions and increased renewable energy supply” and “[p]rotect, engage, and empower vulnerable and disadvantaged sectors of the community.”⁶⁵ This means that CCA staff should work diligently to engage in the programs most needed in their local communities. Some organizers have expressed concerns that some CCAs are investing significant resources in programs that do not reflect the community’s priorities, such as investing in electric vehicle programs when the community prefers energy efficiency programs.

Concrete ways should be developed to ensure programs provide the most benefits to disadvantaged communities, and meet their goals to transition away from dirty fossil fuel resources and develop clean energy. This will likely require coordination with other CCAs. CCAs should also work to develop programs, such as grant opportunities, and provide technical assistance to communities so they can

participate directly in such programs. Jobs and economic opportunities should be central to all programs and policies.

During the energy procurement process, the communities’ wishes should be prioritized. These may include improving air quality, and other environmental and economic issues. In considering a project, CCAs could take into account air quality and environmental and economic impacts as well as whether the location is in a community that fits the definition of disadvantaged. For example, where an offer requires site-control, bidders could be required to include information on where the project location ranks under the most recent version of CalEnviroScreen. For offers that may not require site control, such as energy efficiency, the applicant could indicate a minimum percentage of contract performance that would be achieved through projects in disadvantaged communities. CCAs could then use a type of scoring bonus or some other factor when examining bids to ensure that preferred resources in disadvantaged communities are prioritized. Siting projects in a disadvantaged community can have multiple benefits. As the CEC stated, “[r]ooftop PV in urban environments can provide value to these communities by reducing the health and environmental impacts of fossil-fueled power and increasing economic revitalization and creation of local green jobs.”⁶⁶



I

JOBS AND ECONOMIC DEVELOPMENT OPPORTUNITIES

Disadvantaged and low-income communities will likely have a preference for projects that provide employment and economic benefits to their communities and include high-quality jobs and work standards. Importantly, high quality jobs and other economic benefits for disadvantaged communities are of interest to ratepayers as well.⁶⁷ CCA projects could promote economic benefits in disadvantaged communities by providing long-term, stable employment opportunities for community members that incorporate workforce education and job training.

Jobs that provide community members with competitive wages, financial security, and upward mobility are an important non-energy benefit because they increase preferred resources in disadvantaged communities. “[D]eveloping local workforce participation in clean energy programs is integral to enabling the full range of benefits for low-income customers.”⁶⁸ Due to the number of benefits these jobs provide, APEN has been advocating for worker opportunities for clean energy jobs through a variety of avenues, including training and apprentice programs and prioritizing contracts with Black, Indigenous, and People of Color (BIPOCs) and worker cooperatives.

The nexus between clean energy and jobs is key for communities. A strong local hire preference and an evaluation of whether the project leads to economic development in a local community should be key components of any program. There should be a local hire component through which community members can access

jobs. For example, for any renewable energy project located in Marin Clean Energy (MCE)’s service area, the seller must certify that all employees hired during construction are paid at least the prevailing wage, and a minimum of 50 percent of construction work-hours are provided by permanent residents who live in the county.⁶⁹



As a driver for change, CCAs have the power to work with labor to ensure that employment benefits stay in the community. Such benefits must be transparent and benefit the community. CCAs can work with communities to ensure that local businesses and community members are hired to develop preferred resources. The emphasis should be on long-term, stable employment opportunities for members of disadvantaged communities. Workforce education and training should be included in the plan.

CCAs have started to develop projects that provide direct local benefits, consistent with CalCCA’s best practice of “programs designed to create economic opportunities” for vulnerable and disadvantaged sectors of the community.⁷⁰

An example of a CCA program designed to provide local job and economic benefits was MCE’s Solar One project, which required that 50 percent of the workforce be local residents and 50 percent of contractors and suppliers be based in Richmond.⁷¹ East Bay Community Energy’s projects include a commitment to use union labor and allocate funds for com-

munity investment.⁷² These connections to economic and environmental benefits are critical for reducing the gap between disadvantaged communities and the rest of the state.

II

LOCAL DISTRIBUTED ENERGY RESOURCES

Disadvantaged communities may want to see development of local⁷³ energy resources that support resiliency and provide economic benefits. A focus on distributed generation resources can help strengthen community and energy resilience.⁷⁴ As a Department of Energy report states: “Investments in energy efficiency, smart grid technologies, storage, and distributed generation can contribute to enhanced resiliency and reduced pollution.”⁷⁵ Resiliency can be achieved through a variety of demand-side options, including energy efficiency, demand response, distributed energy storage, and solar PV in local communities, with the goal of enhancing the resilience of local communities with a mix of diverse resources. Increasing grid resilience is one way to help vulnerable communities adapt to climate change.⁷⁶



LEFT: RE-VOLV SOLAR INSTALL
ABOVE: SOMAH WORKSHOP

Distributed energy resources can provide other benefits for a local community. “Residential PV adoption can help lower electricity bills for low-income households and make energy expenses more stable from month to month.”⁷⁷ The benefit can be significant for low-income community members, who often spend a higher percentage of their income on energy.⁷⁸ Distributed energy resources can also provide environmental benefits. For example, as one analysis found, deployment of solar in disadvantaged communities, when paired with storage to reduce electricity consumption during peak times, can yield co-benefits that include lowering air pollutant emissions. It can do this by displacing local marginal fossil fuel electricity generation in transmission-constrained load pockets.⁷⁹ Given these multiple benefits, the CEC Barriers Study recommends that: “[w]here feasible, community solar installations should be deployed in the low-income and disadvantaged communities they serve, with priority given to locations that maximize benefits to the distribution system.”⁸⁰

More focused attention by CCAs is needed to close the gap between the distributed energy resources that exist in disadvantaged communities and other communities across the state. California has persistently lower levels of PV installation in the most disadvantaged communities.⁸¹ “[W]hile falling prices for PV systems and cost reductions for installation have resulted in an expansion of solar deployment to middle- and upper-income households, the same benefits have not yet accrued for low-income households on a larger scale.”⁸² This is in part due to the many barriers that these communities face, including lack of access to financial instruments, lack of information, language barriers, and barriers due to the split incentives between tenants and owners.⁸³

Increasing distributed energy resources is likely to require increased financial support for low-income programs along with targeted outreach to these communities.⁸⁴ Financial support may need

to include third-party financing models to help overcome financial barriers that many community members face. An essential part of any distributed energy program should include utility bill protection, since community members cannot afford higher energy bills.

An initial step toward increasing distributed energy resources in a community can be a local development business plan that maps the landscape and identifies opportunities. The plan should be driven by the community to ensure that members get a choice in the resources they want to see developed.

In addition to bill protection, CCAs should include displacement protection to ensure that renters are not displaced when landlords receive incentives from the program, and that the statutory purpose of benefiting low-income communities and improving housing affordability is fulfilled. Standards for receiving incentives or the benefits of particular programs should include appropriate protections against rent increases that would diminish net financial benefits. Factors to be considered are: the cost and expected useful life of the improvement, owner contribution requirements, projected energy savings, current and projected rent levels, trends in local rental market conditions, and type of owner.⁸⁵



Many CCAs are taking steps to develop local, clean, and renewable energy, consistent with community objectives. CalCCA provides that a best practice for CCAs should be to “build community capacity

by offering complementary programs that serve community interests, such as energy efficiency, demand response, community solar, advantageous net energy metering, Feed-in Tariffs, local workforce development, EV charging, and battery storage.”⁸⁶



Several CCAs are currently developing programs focused on local clean energy development. For example, Marin Clean Energy (MCE) has a feed-in tariff program in a disadvantaged community.⁸⁷ MCE’s Local Sol program allows customers to subscribe to the shares of a PV array, and the community solar bill credits are distributed to those who subscribe.⁸⁸ This type of program encourages further adoption of solar in those communities. A number of CCAs have plans to pursue community solar programs,⁸⁹ which provide a way for residents in disadvantaged communities to reap the ownership benefits of solar when they would not be able to participate otherwise.

Another example of a best practice is East Bay Community Energy’s community innovation grants, which allow community-based organizations to develop local clean energy projects that provide community benefits.⁹⁰ When offering grants, it is important to provide technical assistance for communities to assist them with the application process.

LEFT: MCE LOCAL LANDFILL GAS-TO-ENERGY PROJECT: REDWOOD LANDFILL
ABOVE: MCE SOLAR CHARGE PROJECT AT MCE’S SAN RAFAEL OFFICES



GREENHOUSE GASES AND AIR QUALITY

Disadvantaged communities are likely to want reductions in greenhouse gas and air emissions. These communities bear the burden of air pollution and the impacts of the already changing climate, and will be hit first and worst by future impacts of climate change. Air pollution can cause many serious health effects, including respiratory and cardiovascular disease.⁹¹ Some areas of California have some of the most polluted air quality in the country, due to ground-level ozone and particulate matter.⁹²

ABOVE: COMMUNITY MEMBERS DURING THE REGENERATE CA LAUNCH WEARING CARDBOARD FACE MASKS AT THE STEPS OF THE CA CAPITOL

CCAs can offer portfolios that exceed California's requirements for renewable energy and greenhouse gases. Notably, many CCAs have set goals that exceed these requirements.⁹³ Several cities, including Berkeley, San Diego, and San Francisco, have integrated CCAs into 100% renewable energy plans.⁹⁴ Communities often want these goals considered during procurement when renewable resources can be sited to replace polluting resources.

During procurement, the California Public Utilities Commission (CPUC) is required to consider whether resources are located in disadvantaged communities because the California Public Utilities Code requires all load-serving entities, including CCAs, to ensure minimization of air emissions in their long term planning. The CPUC provides that:

Load Serving Entities (LSE) must also implement evaluation criteria with respect to generation or storage resources located in disadvantaged communities. LSEs must describe their planned evaluation criteria, including any scoring bonuses or other approaches to ensure "early priority" as required by the statute. LSEs must then, at the time of procurement, demonstrate that they followed the identified criteria. In addition, LSE plans must describe policies and evaluation criteria to apply in planning and deciding when to retire, cancel, or not renew contracts for existing gas generation units that emit air pollutants that impact disadvantaged communities.⁹⁵

To ensure that environmental concerns are taken into account, CCAs should assess the overall impact that generation and procurement from each utility is having on the air quality, environmental, and/or economic impact of disadvantaged communities. When evaluating bids or proposals, the CCAs could determine whether potential projects are located in a disadvantaged community or would

impact air emissions in a disadvantaged community. CCAs could then develop concrete requirements for how to evaluate projects. For example, CCAs could require that a certain percentage of preferred resource procurement occur in disadvantaged communities and work with those communities to maximize job and other economic benefits.

While these considerations of air quality and greenhouse gas emissions are important, it is critical that decisions be made based on community preferences, and some communities may ultimately rank economic concerns as high, or higher than other immediate concerns. Therefore, projects should be weighed for all benefits and decisions should be made based on community preference.

An example of a best practice is the matrix that Clean Power Alliance presented to its community advisory committee. The Clean Power Alliance presented general information about how the bids it received ranked in relation to environmental stewardship, benefits to DACs, workforce development, project location, and development risk score.⁹⁶ It also explained the decision-making process and showed how community preferences were being taken into account.

In addition, there are examples of requests for offers that take air emissions into account. Southern California Edison (SCE)'s request for offers for the Moorpark area solicited preferred resources and energy storage for a particular location to eliminate the need for a natural gas plant.⁹⁷ As another example, Marin Clean Energy is developing a demand response program to lower emissions from industrial facilities in its territory.⁹⁸ This comprehensive review of resources is the type of analysis and evaluation we believe is necessary to make informed decisions about emissions reductions.

ASSESSMENT QUESTIONS

- What percentage of distributed energy resources and energy efficiency is being sited in disadvantaged communities?
- Is the gap between disadvantaged communities and the rest of the state being reduced and eliminated?⁹⁹
- Is air pollution related to power plant generation in disadvantaged communities continuing to lower? Why or why not?

In addition to examining individual procurement decisions, an assessment should be done on the overall penetration of resources in disadvantaged communities.

The measurement and monitoring of these substantive requirements will need to be ongoing, and will require regular reporting from the load-serving entities.

To be more transparent, CCAs could require that a percentage of all preferred resource procurement be located in disadvantaged communities or provide benefits to them. The specific makeup of preferred resources to be deployed in disadvantaged communities should be informed through a robust public process.

The overall effectiveness of the disadvantaged community programs should be measured annually to decide whether the CCAs should develop new programs or targets to lower the disparity between disadvantaged communities and the rest of the state.



IV

LOW-INCOME PROGRAMS OPTIMIZED TO INCLUDE ALL WHO QUALIFY

Energy costs are a significant concern for low-income and disadvantaged communities. Low-income families generally pay a higher percentage of their income for energy. Some estimates have found that low-income families pay up to 15 percent of their income on energy bills, compared with 2 percent for higher income fami-

lies.¹⁰⁰ In a study by Evergreen Consulting, a third of low-income households indicated that they struggle with energy bills, either often or constantly, and most of them said they could not heat or cool their homes any less to try to lower their energy bills without negatively impacting their household.¹⁰¹ Bills in some areas of the state are very high. For example, more than 23,000 households in Southern California Edison low-income census tracts received an August 2014 electricity bill that totaled more than \$300.¹⁰² The degree of hardship varies depending on location and circumstances. As Evergreen summarized, “[l]ow-income households in all major housing types face some form of elevated [energy] hardship, but the type of hardship varies by housing type of ownership status.”¹⁰³ Given this disparity in energy costs, it is not surprising that low-income customers face a disproportionate risk of utility disconnection.¹⁰⁴

In order to relieve this energy burden, proactive steps should be taken to ensure that low-income households are able to receive the program benefits they qualify for. CCA customers in California are eligible to participate in California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and the Medical Baseline programs.¹⁰⁵

Another concern is that the CARE program does not cover all of the population that qualifies for it. Although the CARE program covers some of the low-income population, it does not cover all low-income households, especially those where English is not the primary language. A survey conducted by Evergreen found that 36 percent of low-income households that did not speak English as the primary language were unaware of CARE, and that only 66 percent of eligible households were enrolled.¹⁰⁶ To fill this gap, CCAs should ensure that CARE/FERA customers that qualify for the lower rate are automatically enrolled. Another issue with CARE/FERA programs is that some community members do not have all the

documentation they need to receive the benefit. Better outreach is needed, and more should be done to allow for self-certification to ensure that community members get the protection they need.¹⁰⁷

In addition to programs such as CARE/FERA, other programs such as energy efficiency should be examined for ways to lower energy bills for low-income customers in the long-term while making the buildings that community members reside in healthier places to live. Energy efficiency is an important strategy to help reduce energy burden¹⁰⁸ because it can strengthen resilience in the low-income households most vulnerable to power shut-offs, power outages, and increased temperatures due to the impacts of climate change.¹⁰⁹ Although energy efficiency programs have historically been administered by the Investor Owned Utilities (IOUs), CCAs can administer energy efficiency programs for their customers, or for both their customers and IOU customers in their jurisdiction.¹¹⁰ Marin Clean Energy (MCE) is authorized to administer its energy efficiency programs, and an anal-

ysis found that its multi-family energy efficiency program is more cost-effective than the comparable IOU program.¹¹¹ Administration of an energy efficiency program can be an effective way to reduce energy bills for low-income community members. For example, residents of the multi-family properties participating in the Low Income Weatherization Program are projected to save an average of 30 percent on their energy bills.¹¹²

MCE's Low Income Family and Tenants (LIFT) Pilot Program is an example of a CCA energy efficiency program designed to improve the efficiency of homes while improving residents' health by including strong partnerships with public health departments.¹¹³ This nexus is critical for disadvantaged communities that often face negative health impacts due to their polluted environment.

Finally, CCAs can design and offer a special low-income rate product.¹¹⁴ They have the ability to design a product that specifically meets the needs of their community.

REDUCING ENERGY COSTS



**AUTOMATIC
ENROLLMENT IN
CARE, FERA AND
MEDICAL BASELINE
PROGRAMS**



**CCA ADMINISTRATION
OF AN ENERGY
EFFICIENCY PROGRAM**

V

EMERGENCY RESPONSIVENESS AND COMMUNITY PROTECTION

Emergencies harm all communities, but they can be especially catastrophic for disadvantaged and low-income communities that already bear the burden of compounded health, safety, and economic threats. In times of crisis, social inequities are exacerbated. Community members that already have difficulty paying their electricity bills become faced with the potential of utility shut-offs. Vulnerable communities need extra protections during these difficult times to ensure that they do not lose power. Homes need sustained, reliable, and affordable power for storing and accessing food and medical equipment, providing heat and cooling, and accessing information and virtual school or work responsibilities, along with other critical needs.

While CCAs are only one of the players in the energy landscape, it is important for them to develop a long-term plan for dealing with emergencies when they arise, and to plan for resiliency to lessen the impact of potential emergency situations.



A LONG-TERM PLAN SHOULD INCLUDE:

➤ PROACTIVE EFFORTS TO ENSURE THAT COMMUNITY MEMBERS WHO QUALIFY FOR REDUCED RATES ARE AUTOMATICALLY ENROLLED IN PROGRAMS SUCH AS CARE/FERA.

Economic downturns and layoffs impact who in a community qualifies for reduced electricity rates. It is important that community members are aware of these programs and are enrolled in them as soon as they qualify.

➤ WORKING WITH UTILITIES TO PROVIDE MORATORIUMS ON SHUT-OFFS DURING AND AFTER EMERGENCIES.

Moratoriums need to last beyond the emergency to provide a grace period for families to recover from the economic impact of the pandemic.

➤ WORKING WITH UTILITIES TO FORGIVE DEBTS incurred by low-income community members who lost employment during the emergency and ensure that cost recovery for these debts does not fall on vulnerable ratepayers.

➤ DEVELOPING PAYMENT PLANS for community members to allow more time for paying bills and avoiding charging late fees

➤ AVOIDING ANY INCREASE IN ENERGY RATES AND BILLS DURING AN EMERGENCY.

The State of California has taken some of these measures during the COVID-19 pandemic,¹¹⁵ but long-term planning is needed so that communities will know what steps will be taken when emergencies arise.

In addition to economic relief, CCAs should take steps to increase resilience in the most-impacted parts of the community by installing distributed generation and energy efficiency mechanisms as described above.

4

Transparency in Decision-Making

Energy democracy requires effective policies that ensure all members of a community can meaningfully participate in a transparent decision-making process. The following decision points by CCAs have been identified as requiring additional transparency:



CEJA & APEN SOLAR EQUITY TOUR
IN RICHMOND. PHOTO CREDIT:
BROOKE ANDERSON.

CCA FORMATION, OPT-OUT

When a CCA forms, a community member has 60 days to decide whether or not to opt-out before paying a fee called the “power charge indifference adjustment” (PCIA). In our discussions with community groups that are members of CEJA, they identified this transition as an area of confusion. It is important that community members fully understand the decision before them, and what opting out of a CCA entails.

DEFAULT LEVEL

CCAs can decide what energy level is the default level. In the meetings that helped shape this report, there was confusion about how these decisions are made, and what is included in the default level. CCAs in California often develop a portfolio that includes more green power than is found in other portfolios. CCAs can then either opt all their customers into the green portfolio, or allow customers to decide whether or not to opt into the green portfolio.¹¹⁶

TIME OF USE RATES

Time of use rates are rates that change based on the time of day. CCAs can utilize time of use rates, and have expressed a desire to do so. They can also design their own rates. Community members might find these rates confusing, especially if detailed rate comparisons are not available. There may also be confusion because CCA customers receive a bill from the IOU, which shows the amount a customer owes a CCA for procurement and how much they owe the IOU for the remaining electrical services. If CCAs utilize time of use rates, they should ensure that the information on the rates is accessible and understandable, and conduct outreach related to this with trusted local CBOs.¹¹⁷

**ADDITIONAL BEST PRACTICES FOR
OUTREACH TO ENSURE TRANSPARENCY:****ELIMINATING CULTURAL
AND LANGUAGE BARRIERS**

Effort should be made to eliminate cultural and language barriers in decision-making meetings and processes. Examples of ways to accomplish this include: providing notice of meetings in multiple languages; requiring the use of interpreters at meetings; and partnering with CBOs that have relationships, trust, and cultural competency with target communities.¹¹⁸

**PROMOTING BROAD AND
BALANCED PARTICIPATION**

CCAs should work to promote broad and balanced participation in decision-making meetings and processes. In order to do this, community members should be able to choose the medium through which they will receive notice of meetings. In addition, when signing up for meeting notifications, community members should be able to indicate the language that they use, and be informed of the phone number to use for language translation during meetings. CCA should also: engage community members by including speakers with diverse expertise, both community-based and technical; hold meetings at accessible locations and times, especially evenings; target outreach to communities most impacted by the decision being made; and ensure materials are distributed well in advance of meetings.

**ENSURING ACCESS TO TECHNOLOGY**

As technology is increasingly used for meetings, CCAs should ensure that communities are not left behind. They can do this by: providing language and sign translation on the technology service; allowing community members to access meetings on different technologies; ensuring that community members that do not have the technology can still access the meetings; and ensuring that technology-based meetings are well-publicized to the community. CCAs should broadcast their meetings on accessible channels, such as local stations.



> PROVIDING A VARIETY OF FORMATS FOR RECEIVING INPUT

There should be ample opportunity for community members to provide input to decisions. They should be able to deliver their comments by mail, phone, or other means.

> ENSURE CCAS REFLECT COMMUNITY DIVERSITY

CCA staff have the power to shape CCA operations and decisions. For example, CCA boards often rely on staff for the research, planning, and outreach that informs their decisions. Therefore, it is important for CCA staff to be representative of the communities most impacted by their decisions. Establishing hiring practices at CCAs that ensure staff diversity and hiring of Black, Indigenous, and People of Color (BIPOC) is one important way to support transparency in the decision-making process.

> MAKE INFORMATION ACCESSIBLE AND PUBLIC

To the extent possible, it is important that the information on websites or in mailings be accessible and publicly available, and not be withheld as confidential. In addition, CCAs should document and make public how decisions are made, and how community input is taken into account.

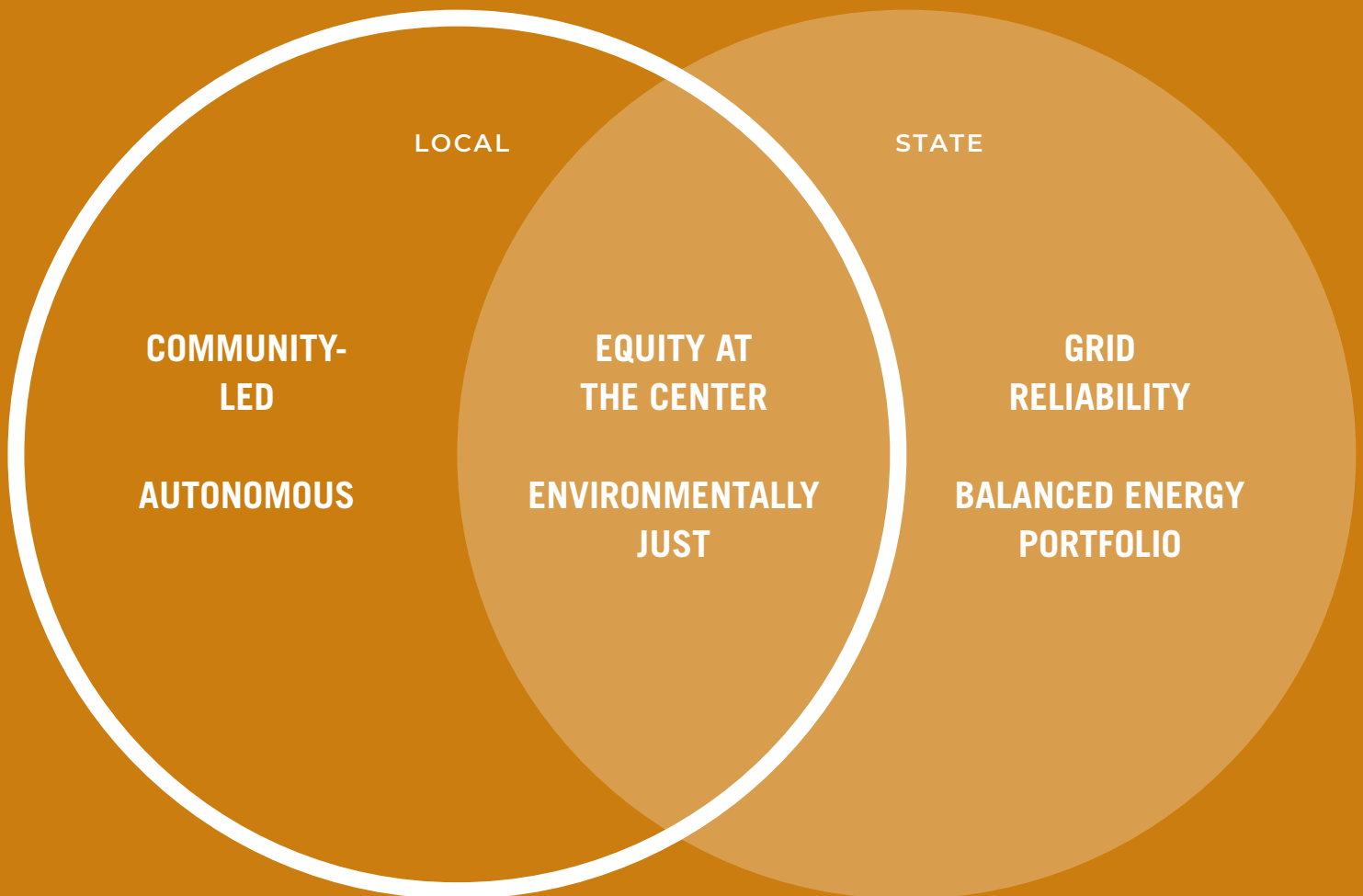


SOMAH PUBLIC WORKSHOP IN OAKLAND

5

Local and State Accountability

CCAs are local entities that should be responsive to the communities they serve. At the same time, CCAs are critical partners in ensuring the state meets its air quality and greenhouse gas reductions goals and requirements.





LOCAL ACCOUNTABILITY

Currently, each CCA decides how it wants to be accountable to the communities in its jurisdiction. While flexibility is necessary to ensure that CCAs are responsive to the needs of local community members, reporting must be done to describe how decisions are made and how community input is taken into account and integrated. Without some type of reporting or check, there is danger that some CCAs will strive to achieve energy democracy, while others will leave their most vulnerable communities and their members behind. Although CCAs are governed by local elected officials, this alone does not ensure local accountability for the decision-making process.

Local accountability is especially important when CCAs enter into partnership with each other. CCAs can and have entered into intergovernmental agreements to work together to fund staff, develop programs, and purchase energy. These partnerships can be beneficial for developing economies of scale, which can, in turn, lower rates, but it is important that local communities continue to have a voice in decision-making for their local CCA. Partnerships can be unbalanced and favor some communities over others, depending on how the decision-making board is structured.¹¹⁹ To ensure that all communities have a voice, some CCAs have developed mixed-weight voting systems that allow both a one-vote per community structure and a structure that is weighted by population size.¹²⁰

Some ways to help ensure local accountability:

③ ADOPT POLICIES AND REQUIREMENTS FOR ENERGY EQUITY AND ENERGY DEMOCRACY

Policies and requirements for considering energy equity and energy democracy should be adopted when CCAs are formed. It is important that these initial policies and requirements include provisions related to local community governance and a local development business plan. An example of this is CleanPowerSF's Community Benefits Policy, which allows community members to provide input

in designing and implementing projects that benefit their community.¹²¹ Policies and requirements that build upon the recommendations in this report are an initial step toward achieving energy equity and democracy. These policies should also promote diversity of staff to ensure that it reflects diversity within the community, and hiring of BIPOC to ensure that CCAs represent the communities they are serving. Finally, these policies should include a document that reflects the rights of the community to participate in decision-making and receive services in an accessible document, such as an energy bill of rights.¹²² The development of this document should be informed through robust outreach.

③ TRAINING ON ENVIRONMENTAL JUSTICE

Training in environmental justice issues and concerns is an important way to ensure that decision-makers and staff understand the issues facing the community. This training could include tours of environmental justice communities so that staff, decision-makers, and members of community advisory committees understand firsthand the challenges they face. These types of tours and training can also help illuminate the potential and need for renewable development and economic opportunities in these communities. An example of this are the toxic tours led by Communities for a Better Environment (CBE) that include visits to facilities and sources of pollution, as well as personal stories shared by local residents.¹²³

③ CLEAR AND TRANSPARENT INFORMATION, ASSESSMENTS, AND REPORTING

Reporting should occur on a regular basis, at least annually, and be updated in an accessible format on the website. This information should include, but not be limited to, the following:

A. How procurement decisions are made: This should include what information is taken into account when making decisions of what energy to purchase, and how that information is factored into the decision-making. While some bid information may be confidential, the overall process for evaluating bids should be accessible to the community so that they can understand how their values are being translated into actual decisions.

B. Energy data and information California has requirements for information about where CCAs acquire their energy.

This information does not necessarily include information related to smaller resources and the air pollution impacts of the resources.¹²⁴ Clear information about where the energy is generated and the impacts to local communities is important for communities to know so they can make informed input in the process and understand the impacts that energy resources are having on their communities. For example, Clean Power Alliance included a presentation to its community advisory committee about the power content label and what type of energy it was considering for its portfolio.¹²⁵

C. Local hiring and local programs: CCAs should report on local jobs and programs with clear, accessible information, describing the number of jobs and programs in local communities with estimates of the benefits.

D. Response to Community Comments and Concerns: CCAs should include information about the comments they receive from communities and what responses have been given.

Concerns around clear reporting are not limited to CCAs. Other load serving entities also lack significant accessibility to ensure that local communities understand decisions being made. CCAs are in a unique position to provide leadership to other entities by providing clear, understandable information about how their decisions are made. An example of this is the matrix that Clean Power Alliance provided to its community advisory group that describes the information it takes into account in decisions about procurement.

COMMUNITY ADVISORY POSITIONS

Although CCAs by statute are governed by local officials, CCAs can create non-voting, community-based positions to ensure there is local accountability in decision-making. CCAs should take steps to ensure that the input of these advisory positions will be taken into account during decision-making.

A. Community Advisory Position on Board: One option is for the CCA to create a community advisory position or positions through which these non-voting members can provide input to the board. East Bay Community Energy uses this model,

and has found it helpful for ensuring that the demands of the communities are communicated to the board.

B. Community Advisory Committee: Another option is to create a separate advisory committee made up of community members. This advisory committee can provide input to the board based on community preferences and a larger committee can better reflect the diversity that the CCA represents. With this model, it is important to ensure that the Advisory Committee's input is being considered and relied on in the decision-making process.

CCAs have taken steps to increase transparency and accountability, consistent with CalCCA's recommended best practice of ensuring transparency and accountability to the community.¹²⁶ As described above, East Bay Community Energy and the Clean Power Alliance have included community advisory positions in their governance. Other CCAs have also developed Community Advisory Committees.¹²⁷ As another model to ensure community feedback, Marin Clean Energy has formed a Community Power Coalition composed of advocacy organizations that represent the interests of under-represented and historically marginalized communities.¹²⁸ When developing these committees, it is important to provide the resources and outreach described earlier in the report to ensure that all communities are represented, especially those that face additional barriers to participation.

While forming these positions, it is critical to ensure that community members' input is used to inform decisions. We further suggest that legislation that ensures local accountability be explored. Some possibilities include legislation that provides community members and representatives with voting power, or legislation that designates decision-making authority to community representatives for decisions impacting DACs. Another option would be to consider legislation that requires recommendations by the community advisory committee for decisions impacting DACs are taken seriously by requiring the CCA Board to adopt such decisions, or otherwise present specific facts and analysis about why they chose another path.



STATE ACCOUNTABILITY

In addition to local accountability, it is important to have a level of statewide accountability to ensure that no communities are left behind and that the basic standards of energy democracy are met, as well as our pursuit of climate and equity goals. CalCCA provides that a best practice for a CCA is to “[e]nsure transparency and accountability to the community and oversight agencies.”¹²⁹ CCAs are covered by basic statewide requirements related to transparency and energy procurement, but there is no overall body that regulates a CCA’s actions in relation to energy equity and democracy.

CCAs must meet basic requirements with regard to reliability, renewable energy, and greenhouse gases. In particular, CCAs have a responsibility to meet resource adequacy needs, which means that the generation resources must be able to supply energy reliably. CCAs also have requirements to meet the Renewable Portfolio Standard (RPS), but the CPUC only “accepts” Renewable Portfolio Standard (RPS) plans for CCAs, while it “approves” plans for IOUs, which can result in a different level of scrutiny and review.¹³⁰ The CPUC does not need to approve RPS solicitation and procurement contracts of CCAs. CCAs also have requirements to develop a long-term plan for the CPUC, but the CPUC does not approve procurement contracts associated with the planning as it does for the IOUs.

CCAs have been resistant to CPUC oversight in relation to their procurement, which can raise concerns about the ability of the State to meet overall goals and requirements. Particular concerns have been raised that the state will

fail to procure a diverse and balanced portfolio of resources, which is needed to ensure statewide grid reliability, due to individual and disaggregated choices made by the growing number of load-serving entities.

CCAs have a requirement to minimize GHGs and air pollution with an early priority in disadvantaged communities.¹³¹ Although this is required to be included in a CCA’s long-term plan, the CPUC does not review the procurement contracts to assess whether emissions have actually been minimized with a priority in disadvantaged communities.¹³² Therefore, unlike IOUs, there is no single, centralized statewide entity that reviews and enforces DAC requirements for procurement contracts. In addition, some procurement requirements related to disadvantaged communities only apply to IOUs. For example, the Public Utilities Code requires that IOUs give preference to renewable procurement that provides economic and environmental benefits to communities afflicted by low-income and high unemployment or high emissions.¹³³ This provision does not apply to CCAs. Other provisions for IOUs require that gas and electricity savings are maximized in disadvantaged communities. These requirements only apply to CCAs if they are administering an energy efficiency program, but do not apply otherwise.¹³⁴

These limits in oversight can provide valuable autonomy for local decision-making, but they can also hinder meeting broader statewide requirements and risk leaving some communities behind. In addition, some requirements—such as reducing greenhouse gases—will take greater coordination across the state. In particular, the movement toward phasing out polluting resources will likely require great coordination between CCAs and the State.

Although communities want the flexibility to be locally-led, they also want consistency and assurance of a high

level of service and affordability. Some of this is provided for under the current regulatory and statutory scheme, but there are some gaps. There is no way to hold CCA boards accountable if they ignore the needs of their communities. In addition, CCAs have expressed mistrust of the CPUC, which results in mistrust of the agency's current responsibilities over CCAs.

Some ways to address these gaps include and ensure state accountability include:

④ OVERSIGHT AND GUIDANCE BY A STATEWIDE CCA ORGANIZATION OR NON-PROFIT UTILITY

CCAs in California have already established CalCCA, which is an organization that allows CCAs to advocate before the legislature and state regulatory agencies with a more unified voice. Although not all CCAs are members, having a statewide entity has helped to create coordination and unified positions. This unity is especially helpful for community-based groups with limited resources to advocate for potential changes. A next step would be to build upon CalCCA, or create a new statewide organization or nonprofit, that would provide guidance and oversight and ensure that minimum requirements are met. This statewide entity should consider a community-led governing council that could develop policies and provide oversight to ensure that programs meet energy democracy principles. Although CalCCA did publish an overview of best practices,¹³⁵ more should be done to ensure CCAs are accountable to their local communities. This includes prioritizing the needs of disadvantaged and low-income communities, contributing to a diverse and balanced energy portfolio, and assuring that CCAs as a whole are meeting the State's climate and air quality goals and requirements. Another potential option is for the statewide CCA organization to organize an annual convening to hear from EJ and community advocates.

④ REVISE STATUTES TO ALLOW CCA ADMINISTRATION OF PROGRAMS

Another way to add more statewide accountability is to explicitly allow CCA administration of programs, such as the low-income solar programs, in statute. The administration of these programs is overseen by State regula-

tory agencies, which would then ensure that minimum requirements are met. This would also have the benefit of allowing CCAs to be more responsive to community members by providing funds for low-income programs that the communities want to see.

④ REQUIREMENTS FOR CCAS TO CONSIDER DISADVANTAGED COMMUNITIES

As described above, the California Public Utilities Code requires IOUs to consider potential environmental and economic benefits to disadvantaged communities when procuring renewable energy.¹³⁶ A revision of these types of requirements to explicitly include CCA procurement would ensure that impacts to disadvantaged communities are considered in procurement and distributed generation programs.

④ STATEWIDE ENVIRONMENTAL JUSTICE OVERSIGHT

Another option would be to strengthen statewide oversight of the energy system, in general, to ensure that energy equity and energy democracy are considered in all elements of the decision-making process. Issues related to energy equity and energy democracy must be addressed by all load serving entities, not just CCAs. Decision-making related to energy is fragmented between different state and federal regulatory agencies and local decision-makers. A statewide body that identifies ways to reduce the gaps between the most disadvantaged communities and the rest of the state could help ensure more consistency across these regulatory arenas and ensure that communities have a voice in decisions impacting them. To ensure that this body represents the community, there should be community advocate representation either through the Disadvantaged Communities Advisory Group (DACAG), formed pursuant to SB 350, or through EJ seats on the oversight committee. In addition, the DACAG could be used to advise this body. It would be important for this body to have the ability to directly impact regulatory decisions to ensure that energy equity and democracy are upheld, while allowing CCAs to retain local decision-making authority.

All of these ideas will need to balance local autonomy with state oversight because it is important that CCAs have the local autonomy and authority necessary to respond to the needs of their communities.

Conclusion

People must have a say in the energy decisions impacting their lives and communities and the health and sustainability of our planet. **To transition to a clean, reliable, and resilient energy system, we must center energy equity and energy democracy.** This means respecting communities' rights to shape their own energy futures.

The fundamental cornerstones for accomplishing energy equity and energy democracy include ensuring meaningful and active engagement with communities, promoting equity by prioritizing and protecting the most vulnerable populations, maximizing transparency and accountability, and driving decision-making through meaningful community input. The recommendations in this report are focused on CCAs, but many can and should apply to other types of energy providers including IOUs, POUs, and all load-serving entities. As previously stated, the recommendations from our CEJA member and partner organizations are designed with our best available information and experiences. The recommendations in this report are designed to represent the beginning of an iterative process in which community-based organizations, CCAs, environmental justice communities, clean energy allies, and other stakeholders can reach further conclusions and recommendations. It should also serve as a foundation to further explore how to democratize the entire energy system.

Appendix

WORKING DEFINITIONS

CALENVIROSCREEN: CalEnviroScreen is a mapping tool that helps identify California communities that are most affected by many sources of pollution, and where people are often especially vulnerable to pollution's effects. CalEnviroScreen uses environmental, health, and socioeconomic information to produce scores for every census tract in the state.

The scores are mapped so that different communities can be compared. An area with a high score is one that experiences a much higher pollution burden than areas with low scores.

CalEnviroScreen ranks communities based on data that are available from state and federal government sources. (Cal. OEHHA)

CLEAN ENERGY PROGRAM: A program focused on developing clean, renewable resources such as solar and wind energy combined with energy storage, energy efficiency, and demand response resources.

COMMUNITY-BASED ORGANIZATION: An organization that interacts with members of the community and are often located in the neighborhood.

COMMUNITY CHOICE AGGREGATOR: Programs that allow local governments to offer procurement service to electric customers within boundaries. (Cal. Public Utility Commission)

ENERGY DEMOCRACY: Frames the international struggle of working people, low-income communities, Asian and Pacific-Islander, Black, Brown and Indigenous nations and their communities to take control of energy resources from the energy establishment and use those resources to empower their communities literally (providing energy), economically, and politically. It means bringing energy resources under public or community ownership and/or governance—a key aspect of the struggle for climate and energy justice, and an essential step toward building a more just, equitable, sustainable, and resilient

economy. (Fairchild, Denise and Weinrub, Al. Energy Democracy: Advancing Equity in Clean Energy Solutions)

ENERGY EQUITY: The goal of achieving equity in both the social and economic participation in the energy system, while also remediating social, economic, and health burdens on those historically harmed by the energy system. (Initiative for Energy Justice)

ENERGY DISTRIBUTION: The interconnected lines that carry electricity from the transmission system to individual households.

ENERGY PROCUREMENT: The act of purchasing or buying energy through either a contract with an existing resource or constructing a new resource.

ENERGY TRANSMISSION: The interconnected lines that facilitate the movement of electricity from a generation station, such as a large solar facility, to an electrical substation.

ENVIRONMENTAL JUSTICE (DISADVANTAGED) COMMUNITIES: Disadvantaged communities refers to the areas throughout California which most suffer from a combination of economic, health, and environmental burdens. These burdens include poverty, high unemployment, air and water pollution, presence of hazardous wastes as well as high incidence of asthma and heart disease. (Cal. OEHHA, Cal Public Util. Commission)

INVESTOR OWNED UTILITY: These firms participate in all aspects of the power markets value chain, including generation, transmission, and load aggregation. These firms operate for-profit and have legal monopolies in their service territory. In trade for their monopoly status, they have an obligation to serve all customers in their territory, and are subject to economic regulation. (Berkeley Lab)

PUBLICLY OWNED UTILITY: These utilities are typically non-profit and owned by the local government or the ratepayers themselves. See, for example, the California Energy Commission's comparison of IOUs and POUs across a variety of functions and metrics. Municipally Owned Utilities or Municipal Utility Districts (MOUs or MUDs) are operationally similar, but are sometimes listed separately in statistics. (Berkeley Lab)

RELEVANT ACRONYMS

AB

Assembly Bill

CAISO

California Independent System Operator

CALCCA

California Community Choice Aggregators

CCA

Community Choice Aggregator

CEC

California Energy Commission

CPA

Clean Power Alliance

CPUC

California Public Utilities Commission

DAC

Disadvantaged Communities

EBCE

East Bay Clean Energy

EE

Energy Efficiency

IOU

Investor Owned Utility

MCE

Marin Clean Energy

PCE

Peninsula Clean Energy

POU

Publicly Owned Utility

PV

Solar Photovoltaic

RPS

Renewable Portfolio Standard

SB

Senate Bill

SCE

Southern California Edison

AIR QUALITY CONCERNS RELATED TO ELECTRICITY GENERATION

Areas of California have some of the most polluted air quality in the country especially in relation to ground-level ozone and particulate matter. The American Lung Association's State of the Air 2019 report found that California cities have the worst air pollution in the country: "Los Angeles remains the city with the worst ozone pollution...Fresno-Madera-Hanford, CA returned to the most polluted slot for year-round particle pollution, while Bakersfield, CA maintains its rank as the city with the worst short-term particle pollution."¹³⁷ In the country, California cities include seven of the top-ten worst cities for ozone, six of the ten worst cities for year round particle pollution, and four of the top-ten worst cities for short-term particle pollution.¹³⁸ No other state has as many polluted cities.

This context is important because many parts of California are not attaining protective health standards for ground ozone and particulate matter.¹³⁹ NOx, which is emitted when natural gas is burned, is a precursor for both fine particulate matter and ground ozone. Thus, reducing NOx from both electrical generation and buildings is likely to be an important way for California to come into attainment with health protective standards. Thus, each ton of pollution matters especially in disadvantaged communities in California since many air basins throughout the State are not attaining ambient air standards. In fact, "[i]n its 2015 Clean Power Plan, the U.S. Environmental Protection Agency estimated the 2020 health benefit of reducing NOx emissions to be highest in California, at \$22[,000]-49,000/ton in PM2.5 specific benefits and \$14[,000]-59,000/ton in ozone-specific benefits."¹⁴⁰

In addition to increased emissions from startups and shutdowns, natural gas facilities also emit more when operating at partial load. CAISO's SB 350 Study described that during partial load, the NOx emission increases "may be around 30%" as compared to steady state operation.¹⁴¹ There is also a potential that natural gas facilities will be more frequently operated at partial load to backup renewables. Power plants are also likely contributing to exceedances of air quality standards. In an analysis conducted of whether peaker power plants are contributing to exceedances of ambient air quality standards, researchers found that 86% of peaker plants generated more electricity on days when ozone standards were exceeded in their basin.

¹⁴²Climate change is expected to exacerbate air pollution with particulate matter concentrations expected to increase.¹⁴³

BACKGROUND RELATED TO RPS, GHG AND DAC REQUIREMENTS

The Legislature also recognized the need for renewable energy and GHG requirements to help protect air quality and public health in disadvantaged communities. When passing the RPS, the Legislature specifically found that "[s]upplying electricity to California [] customers that is generated by eligible renewable energy resources is necessary to improve California's air quality and public health, particularly in disadvantaged communities."¹⁴⁴ The Legislature further prioritized minimizing air pollution in disadvantaged communities in the integrated resource planning process.¹⁴⁵ These and other provisions require the Commission and load-serving entities ("LSEs") to consider the impacts of energy procurement on disadvantaged communities.

With the passage of Senate Bill ("SB") 350, California carved its path toward a future with significant reductions in greenhouse gases ("GHG") and other air pollutants achieved through increased usage of renewable energy and energy efficiency. California recently further solidified its commitment to this future with the passage of SB 100 and the signing of Executive Order B-55-18, which require that California achieve carbon neutrality and transform the energy sector to rely on only renewable and GHG-free energy by 2045.¹⁴⁶

Toward this end, SB 350 tasks the California Public Utilities Commission with developing an integrated resource planning process in which each Load Serving Entity ("LSE") including CCAs develops an integrated resource plan ("IRP") that achieves this future.

To achieve the SB 350 mandates and the future envisioned by SB 100 and Executive Order B-55-18, the IRP process and the IRPs themselves require a new, comprehensive vision and approach. They must consider procurement and dispatch while also determining how best to integrate demand side and supply side resources. The analysis must also include evaluation of impacts on disadvantaged communities ("DACs"), air quality impacts, and GHG emissions. Consistent with the statutory direction, the California Public Utilities Commission set forth a comprehensive framework for IRPs in its February 8, 2018 Decision Setting Requirements for Load Serving Entities Filing Integrated Resource Plans.¹⁴⁷ That Decision requires CCAs and other Load Serving Entities to include descriptions of disadvantaged communities, programs for disadvantaged communities, and plans on how to minimize emissions in disadvantaged communities.¹⁴⁸

ENDNOTES

- 1 See Appendix, Map of CCAs.
- 2 See California Alliance for Community Energy, <http://cacomunityenergy.org/guide-to-creating-state-of-the-art-community-choice-programs/>
- 3 See L. Cushing, et. al, A Preliminary Environmental Equity Assessment of California's Cap-and-Trade Program, p. 2, 4, 5, <https://dornsife.usc.edu/PERE/enviro-equity-CA-cap-trade>.
- 4 See, e.g., Manuel Pastor, et. al., *Minding the Climate Gap: What's at Stake if California's Climate Law Isn't Done Right and Right Away* 8–12 (2010), available at <http://dornsife.usc.edu/pere/documents/mindingthegap.pdf>.
- 5 See, e.g., California Energy Commission (“CEC”) SB 350 Barriers Study: Campaign for Home Energy Assistance, The LIHEAP Investment 1 (2010), available at http://liheap.org/assets/investment/LIHEAP_investment_june2010.pdf (discussing a program to provide assistance to low-income households to pay for heating and cooling their home).
- 6 See Rachel Morello-Frosch, et. al., *The Climate Gap*, p. 5 available at https://dornsife.usc.edu/assets/sites/242/docs/The_Climate_Gap_Full_Report_FINAL.pdf.
- 7 See Asian Pacific Environmental Network, *Mapping Resilience Report*, https://apen4ej.org/wp-content/uploads/2019/10/APEN-Mapping_Resilience-Report.pdf.
- 8 See, e.g., Rachel Morello-Frosch, et. al., *The Climate Gap*, p. 7, available at https://dornsife.usc.edu/assets/sites/242/docs/The_Climate_Gap_Full_Report_FINAL.pdf (discussing how disadvantaged communities will suffer more from the impacts of climate change.) The key finding of this report is: “[t]here is a climate gap. The health consequences of climate change will harm all Americans – but the poor and people of color will be hit the worst.”
- 9 See Boris R. Lukanov, Elena Krieger, *Distributed Solar and Environmental Justice: Exploring the Demographic and Socio-Economic Trends of Residential PV Adoption in California*, *Energy Policy* 134 (2019) 110935.
- 10 CEC SB 350 Barriers Study, pp. 13-14 (quoting Bovarnick and Banks (2014), available at <https://www.energy.ca.gov/rules-and-regulations/energy-suppliers-reporting/clean-energy-and-pollution-reduction-act-sb-350/sb> (hereinafter “CEC SB 350 Barriers Study”).
- 11 See Eric Fournier, et. al., *On Energy Sufficiency and the Need for New Policies to Combat Growing Inequities in the Residential Energy Sector*, *Elem Sci Anth*, 8(1), p.24. DOI: <http://doi.org/10.1525/elementa.419>; see also Sammy Roth, *L.A Times*, *California's clean energy programs are mainly benefiting the rich*, study finds (June 25, 2020). <https://www.latimes.com/environment/newsletter/2020-06-25/will-the-rich-continue-to-be-the-main-beneficiaries-of-californias-clean-energy-future-boiling-point>
- 12 See Rachel Morello-Frosch, et. al., *The Climate Gap*, at p. 5 available at https://dornsife.usc.edu/assets/sites/242/docs/The_Climate_Gap_Full_Report_FINAL.pdf.
- 13 Cal. Public Util. Code Section 366.2.
- 14 Cal. Public Util. Code Section 366.2.
- 15 See Cal. Public Util. Code Section 366. If a customer opts out, it will be an IOU customer.
- 16 Cal. Public Utilities Commission, Decision 05-12-041, pp. 4-5.
- 17 The CPUC calls this the Power Charge Indifference Adjustment (PCIA). See, e.g., CPUC Resolution E-4475. The PCIA charge has been subject to significant criticism. See, e.g., Gattacicecca, J.J.R. DeShazo, K. Trumbull, *The Growth in Community Choice Aggregation*, Luskin Center for Innovation, University of California Los Angeles, 2018. This report will not opine on or delve into the PCIA charge.
- 18 See E. O'Shaughnessy, et. al, *Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets*. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195. <https://www.nrel.gov/docs/fy19osti/72195.pdf>.
- 19 See generally Cal. Public Utility Commission, *Community Choice Aggregation Background Paper* (for general background information related to the formation and operation of CCAs), available at <https://www.cpuc.ca.gov/general.aspx?id=2567>.
- 20 Partnerships between CCAs are generally designed to allow CCAs to independently govern while sharing services and contracts. See <http://cal-cca.org/wp-content/uploads/2016/07/CCA-Best-Practices-and-Models.pdf> (summarizing CCA models).
- 21 See generally Cal. Public Utility Commission, *Community Choice Aggregation Background Paper* (for general background information related to the formation and operation of CCAs), available at <https://www.cpuc.ca.gov/general.aspx?id=2567>.
- 22 Cal. Health & Safety Code § 39711.
- 23 California Environmental Protection Agency, Office of Environmental Health Hazard Assessment, *California Communities Environmental Health Screening Tool*, Version 2.0, pp. i-ii (October 2014), available at <http://oehha.ca.gov/media/CES20FinalReportUpdateOct2014.pdf>.
- 24 See California Environmental Protection Agency Designation of Disadvantaged Communities Pursuant to Senate Bill 535 (De Leon) (2017).
- 25 See id.
- 26 See id.
- 27 California Public Utilities Commission, Decision 18-02-018, p. 66.
- 28 See Asian Pacific Environmental Network, *Mapping Resilience*, https://apen4ej.org/wp-content/uploads/2019/10/APEN-Mapping_Resilience-Report.pdf.
- 29 Cal. Health & Safety Code § 39713(d). AB 1550 further defines low-income communities as “census tracts with median household incomes at or below 80 percent of the statewide income or with household incomes at or below the threshold designated as low-income by the Department of Housing and Community Development's list of state income limits.”
- 30 See Stanford, *California Poverty Measure*, <https://inequality.stanford.edu/publications/research-reports/california-poverty-measure>.
- 31 See infra discussion on outreach issues related to the CARE program.
- 32 CEC, SB 350 Barriers Report, p. 15.
- 33 CEC Energy Equity Indicators Tracking Report, p. 2 (2018), available at https://www.energy.ca.gov/sites/default/files/2019-12/energy_equity_indicators_ada.pdf.
- 34 Krieger, E.M., J.A. Casey, and S.B.C. Shonkoff. A framework for siting and dispatch of emerging energy resources to realize environmental and health benefits: Case study on peaker power plant displacement. *Energy Policy*, 96:302-313, 201.
- 35 See Boris R. Lukanov, Elena Krieger, *Distributed Solar and Environmental Justice: Exploring the Demographic and Socio-Economic Trends of Residential PV Adoption in California*, *Energy Policy* 134 (2019) 110935.
- 36 See CalEnviroScreen.
- 37 CEC, SB 350 Barriers Report, p. 12.
- 38 See Cal. Public Utility Commission Decision 20-03-004, pp. 12-13, 20-21 (describing census data and related data as an appropriate starting point for identifying language); see also <https://census.ca.gov/california-hct/>.
- 39 See Cal. Public Utility Commission Decision 20-03-004.
- 40 As the CEC Barriers Study noted: “[s]electing better points of contact and increasing trust between program deliverers and low-income customers can increase the success of a program.” CEC SB 350 Barriers Study, p. 48.
- 41 CEJA SB 1000 Toolkit.
- 42 Cal. Public Utility Commission Decision 18-12-015 at pp. 10-12.
- 43 See East Bay Community Energy, *Community Innovation Grants*, <https://ebce.org/communitygrants/>
- 44 See Clean Power Alliance, *Request for Applications for Community Based Organization Outreach Grant*, <https://cleanpoweralliance.org/wp-content/uploads/2019/12/CPA-CBO-Program-Grant-Instructions.pdf>; *CalCCA Beyond Supplier Diversity Report*, pp. 10-11 (describing PCE's and MBCEP's contracting with CBOs).
- 45 See Marin Clean Energy, *Powering Equity and Inclusion*, <https://www.mcecleanenergy.org/news/powering-equity-part-5/>
- 46 See CEJA SB 1000 Toolkit, p. 37 (describing barriers to outreach).
- 47 See, e.g., *Local Clean Energy Alliance*, 12-10-19 Workshop Report, *Clean Power to the People!* December 10th, 2019:
- 48 CEC SB 350 Barriers Study, p. 46.
- 49 See CEC SB 350 Barriers Study, p. 2.
- 50 CEC SB 350 Barriers Study, p. 14.

- 51 D.12-04-046 at p. 12.
- 52 Evergreen Report, p. 115.
- 53 See generally CEC SB 350 Barriers Study.
- 54 CEJA SB 1000 Toolkit, available at <https://caleja.org/2017/09/sb-1000-toolkit-release/>
- 55 CalCCA, <https://cal-cca.org/resources/>.
- 56 <https://cleanpoweralliance.org/get-involved/community-advisory-committee/>
Clean Power Alliance IRP, p. 23.
- 57 <https://www.mccleanenergy.org/meeting/west-contra costa-county-community-leader-advisory-group-clag-meeting/>
- 58 The need for transparency related to this information is further described below under “Transparent Decision-making.”
- 59 How do you learn a language that isn’t written down? (Broncho, December 2016) <https://www.british-council.org/voices-magazine/how-do-you-learn-language-isnt-written-down>
- 60 Handbook for Teaching Hmong-Speaking Students (Bliatout et al., 1988) pp. 24-27 <http://www.reninc.org/other-publications/handbooks/hmongbk.pdf>
- 61 <https://www.nbcnews.com/news/latino/radio-station-becomes-lifeline-endangered-mexican-central-american-indigenous-languages-n989756>
- 62 See Cal. Public Utility Commission Rulemaking 15-03-010; Cal. Public Utility Commission Decision 18-12-015.
- 63 Cal. Public Utility Commission Decision 18-12-015 (describing importance of assessing the effectiveness of outreach).
- 64 See Cal. Public Utility Commission Rulemaking 15-03-010; Cal. Public Utility Commission Decision 18-12-015.
- 65 CalCCA, Specific Best Practices, available at <https://cal-cca.org/resources/#start>.
- 66 See CEC, 2011 Integrated Energy Policy Report, 45 (2012), available at <http://www.energy.ca.gov/2011publications/CEC-100-2011-001/CEC-100-2011-011-LCF.pdf>.
- 67 Cal. Public Util. Code § 740.8(b)(5).
- 68 CEC SB 350 Barriers Study, Executive Summary, at p. 1.
- 69 See Building Local and In-State Renewable Projects, <https://www.mccleanenergy.org/news/powering-equity-part-3/>
- 70 CalCCA, Best Practices, <https://cal-cca.org/resources/#start>.
- 71 Marin Clean Energy, Local Projects, <https://www.mccleanenergy.org/local-projects/>
- 72 East Bay Community Energy, EBCE Signs New Power Contracts, <https://ebce.org/ebce-signs-new-power-contracts>
- 73 While recognizing that there is no set definition of “local,” this report generally defines local as being located within the community. See E. O’Shaughnessy, et. al, Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195. <https://www.nrel.gov/docs/fy19osti/72195.pdf>. at p. 6 (describing the different potential definitions of local).
- 74 See, e.g., <https://ec.europa.eu/energy/intelligent/projects/en/projects/dg-grid>; <http://greeningthegrid.org/integration-in-depth/distributed-generation> (deploying PV can “increase grid resilience”); <https://www.ferc.gov/legal/fed-sta/exp-study.pdf> at p. iii (“DG can ..decrease the vulnerability of the electric system to threats...[and] increase the resiliency of other critical infrastructure.”).
- 75 See https://energy.gov/sites/prod/files/2015/04/f22/QUER_Ch3.pdf at p. 3.
- 76 “Grid resilience is increasingly important as climate change increases the frequency and intensity of severe weather.” Executive Office of the President, Economic Benefits of Increasing Electric Resilience to Weather Outages, at p. 3, August 2013, https://energy.gov/sites/prod/files/2013/08/f2/Grid%20Resiliency%20Report_FINAL.pdf
- 77 Boris R. Lukanov, Elena Krieger, Distributed Solar and Environmental Justice: Exploring the Demographic and Socio-Economic Trends of Residential PV Adoption in California, Energy Policy 134 (2019) 110935.
- 78 See infra discussion below, Low Income Program Considerations.
- 79 Krieger, E.M., J.A. Casey, and S.B.C. Shonkoff. A framework for siting and dispatch of emerging energy resources to realize environmental and health benefits: Case study on peaker power plant displacement. Energy Policy, 96:302-313, 2011.
- 80 CEC SB 350 Barriers Study, Recommendations, at p. 6. The CEC also noted that “[c]ommunity solar targeting low-income customers could be sited in local disadvantaged communities, presenting opportunities to address environmental justice issues.”
- 81 See Boris R. Lukanov, Elena Krieger, Distributed Solar and Environmental Justice: Exploring the Demographic and Socio-Economic Trends of Residential PV Adoption in California, Energy Policy 134 (2019) 110935.
- 82 CEC SB 350 Barriers Study, at pp. 13-14 (quoting Bovarnick and Banks (2014).
- 83 See CEC SB 350 Barriers Study (describing barriers).
- 84 CEC SB 350 Barriers Study; see also Boris R. Lukanov, Elena Krieger, Distributed Solar and Environmental Justice: Exploring the Demographic and Socio-Economic Trends of Residential PV Adoption in California, Energy Policy 134 (2019) 110935.
- 85 The standards should also include protections against involuntary displacement, including just cause eviction protection, and define such involuntary displacement as a material breach of the lease.
- 86 CalCCA, Best Practices, available at <https://cal-cca.org/resources/#start>.
- 87 Marin Clean Energy, Local Solar Programs, <https://www.mccleanenergy.org/100-local-solar/>.
- 88 Marin Clean Energy, Local Solar Programs, <https://www.mccleanenergy.org/100-local-solar/>.
- 89 See, e.g., Lancaster Advanced Energy Community, CEC, Final Project Report (2018), available at <https://ww2.energy.ca.gov/2018publications/CEC-500-2018-032/CEC-500-2018-032.pdf>.
- 90 East Bay Community Energy, Community Grants, <https://ebce.org/communitygrants/>
- 91 Inhaling small particles called particulate matter (“PM”) can lead to asthma attacks, hospitalization for worsened heart disease, and premature death. Exposure to ground level ozone, which is created by chemical reactions between nitrogen oxides and volatile organic compounds in sunlight, can reduce lung function and harm lung tissue. Children, older adults, and people with asthma are at greater risk to these health impacts. See, generally, California Air Resources Board, ARB Fact Sheet: Air Pollution and Health, <https://ww2.arb.ca.gov/our-work/topics>
- 92 See Appendix.
- 93 See E. O’Shaughnessy, et. al, Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195. <https://www.nrel.gov/docs/fy19osti/72195.pdf>.
- 94 See E. O’Shaughnessy, et. al, Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195. <https://www.nrel.gov/docs/fy19osti/72195.pdf>.
- 95 D.18-02-018, pp. 69-70 (emphasis added).
- 96 <https://cleanpoweralliance.org/wp-content/uploads/2020/01/CAC-20-01-Agenda-Packet.pdf>
- 97 See Southern California Edison, Moorpark Solicitation, <https://scemg1701.documents.asp?Col=DateDown>.
- 98 MCE 2018 IRP, pp. 13-18.
- 99 In addition to the data needs described above, better data needs to be developed on the penetration of preferred resources in disadvantaged communities.
- 100 CEC, SB 350 Barriers Report, A-1, p. 12.
- 101 See Evergreen Consulting, Needs Assessment for the Energy Savings Assistance and the California Alternative Rates for Energy Programs, p. 7 (Dec. 15, 2016) available at <https://www.cpuc.ca.gov/iqap/>.
- 102 CEC Tracking Report, p. 11.
- 103 See Evergreen Consulting, Needs Assessment for the Energy Savings Assistance and the California Alter-

native Rates for Energy Programs, p. 75 (Dec. 15, 2016) available at <https://www.cpuc.ca.gov/iqap/>

104 CEC, SB 350 Barriers Report, p. 13.

105 CARE benefits are tied to the transmission and distribution aspect of a bill, and thus, community members do not lose CARE when switching to a CCA. See CPUC, Community Choice Aggregation En Banc Background Paper, p. 12. “CCA customers in PG&E’s territory are also eligible for the Energy Savings Assistance Program (ESA).” *Id.*, p. 12, fn. 21.

106 See Evergreen Consulting, Needs Assessment for the Energy Savings Assistance and the California Alternative Rates for Energy Programs, p. 101-102 (Dec. 15, 2016) available at <https://www.cpuc.ca.gov/iqap/>

107 Self-certification is allowed in instances of wildfires, and in relation to the emergency created from the COVID-19 Pandemic. See CPUC, COVID-19 Resolution, <https://www.cpuc.ca.gov/covid19protections/>.

108 See American Council for an Energy Efficiency Economy, Lifting the High Energy Burden in America’s Largest Cities: How Energy Efficiency Can Improve Low-Income and Underserved Communities (April 20, 2016), <https://www.aceee.org/research-report/u1602>; American Council for an Energy Efficiency Economy, The High Cost of Energy in Rural America: Household Energy Burdens (July 18, 2018), <https://www.aceee.org/research-report/u1806>.

109 APEN, Mapping Resilience, p. 81, available at https://apen4ej.org/wp-content/uploads/2019/10/AP-EN-Mapping_Resilience-Report.pdf.

110 See CPUC Decision 14-01-033 (setting forth EE requirements).

111 Gattaciecce, J.J.R. DeShazo, K. Trumbull, The Growth in Community Choice Aggregation, Lusk Center for Innovation, University of California Los Angeles, 2018, p. 6, https://innovation.luskin.ucla.edu/wp-content/uploads/2019/03/The_Growth_in_Community_Choice_Aggregation.pdf.

112 See California’s Cap-and-Trade Funded Low Income Weatherization Program Multifamily: Impact Report, p. 3.

113 <https://www.mcecleanenergy.org/wp-content/uploads/2017/04/04-06-17-MCE-23-E-LIFT-Pilot-Advice-Letter-.pdf>

114 See E. O’Shaughnessy, et. al, Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195. <https://www.nrel.gov/docs/fy19osti/72195.pdf>

115 See, e.g., Cal. Public Utility Commission, COVID-19 Information, <https://www.cpuc.ca.gov/covid/>.

116 See E. O’Shaughnessy, et. al, Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195. <https://www.nrel.gov/docs/fy19osti/72195.pdf>. (Table 3 in the report shows these choices).

117 CCAs should try to include a rate comparison before any customers are shifted to a TOU rate. See, e.g.,

Cal. Public Util. Code Section 745(c)(4) and (5).

118 See CEJA SB 1000 Handbook, p. 97.

119 See E. O’Shaughnessy, et. al, Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195, p. 24, <https://www.nrel.gov/docs/fy19osti/72195.pdf>.

120 See E. O’Shaughnessy, et. al, Community Choice Aggregation: Challenges, Opportunities, and Impacts on Renewable Energy Markets. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-72195, p. 24, <https://www.nrel.gov/docs/fy19osti/72195.pdf>.

121 See CalCCA, Beyond Supplier Diversity Report, p. 7.

122 See, e.g., IREC, Consumer Bill of Rights, <https://irecusa.org/consumer-protection/consumer-bill-of-rights/>.

123 See Communities for a Better Environment, Toxic Tours, <https://www.cbecal.org/get-involved/toxic-tours/>.

124 California Energy Commission, Power Content Label. <https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure/power-content-label>

125 Clean Power Alliance, Feb. 2020 Board Presentation, https://cleanpoweralliance.org/wp-content/uploads/2020/02/020620_CPA-Board-Presentation.pdf.

126 CalCCA, Best Practices, <https://cal-cca.org/resources/#start>.

127 CleanPowerSF, Monterey Bay Clean Power, Peninsula Clean Energy, Valley Clean Energy, Redwood Clean Energy Alliance, and San Jose Clean Energy all have forms of Community Advisory Committees. See CalCCA Beyond Supplier Diversity Report, p. 10.

128 CalCCA Beyond Supplier Diversity Report, p. 10.

129 CalCCA, Best Practices, <https://cal-cca.org/resources/#start>.

130 See, e.g., Cal. Public Utilities Code Section 399.11, et. al.

131 Cal. Public Util. Code Section 454.52(a)(1).

132 See, e.g., Cal. Public Util. Code Section 454.52 (providing review requirements for CCAs).

133 Cal. Public Util. Code Section 399.13(a)(7).

134 Cal. Public Util. Code Sections 454.55(a)(2) and 454.56(d).

135 See, e.g., <http://cal-cca.org/wp-content/uploads/2016/07/CCA-Best-Practices-and-Models.pdf>

136 See Cal. Public Util. Code Section 399.13(a)(7).

137 American Lung Association, State of the Air, <http://www.lung.org/our-initiatives/healthy-air/sota/key-findings/>

138 American Lung Association, State of the Air, <http://www.lung.org/our-initiatives/healthy-air/sota/key-findings/>

139 CARB, Air Quality Standards, <https://ww3.arb.ca.gov/research/aaqs/aaqs2.pdf>

140 Elena Krieger, et. al, A Framework for Siting and Dispatch of Emerging Energy Resources to Realize Environmental and Health Benefits: Case Study on Peaker Power Plant Displacement, Energy Policy 96 (2016), 302-313.

141 CAISO SB 350 Studies, Volume 9, at p 99, available at <https://www.caiso.com/Documents/SB-350Study-Volume9EnvironmentalStudy.pdf> (citing NREL).

142 Elena Krieger, et. al, A Framework for Siting and Dispatch of Emerging Energy Resources to Realize Environmental and Health Benefits: Case Study on Peaker Power Plant Displacement, Energy Policy 96 (2016), 302-313.

143 See Cooley, H, et al, California Energy Commission, Social Vulnerability to Climate Change in California, CEC-500-2012-013(2012).

144 Cal. Public Utilities Code § 399.11(e)(1).

145 Cal. Public Utilities Code § 454.52

146 SB 100 (signed September 10, 2018); Executive Order B-55-18, <https://www.gov.ca.gov/wp-content/uploads/2018/09/9.10.18-Executive-Order.pdf>.

147 Cal. Public Util. Comm’n, Decision Setting Requirements for Load Serving Entities Filing Integrated Resource Plans, D.18-02-018, (Feb. 8, 2018).

148 Cal. Public Util. Comm’n, Decision Setting Requirements for Load Serving Entities Filing Integrated Resource Plans, D.18-02-018, (Feb. 8, 2018).



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