

Fostering energy affordability and equity in the utility space

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Webinar



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About us



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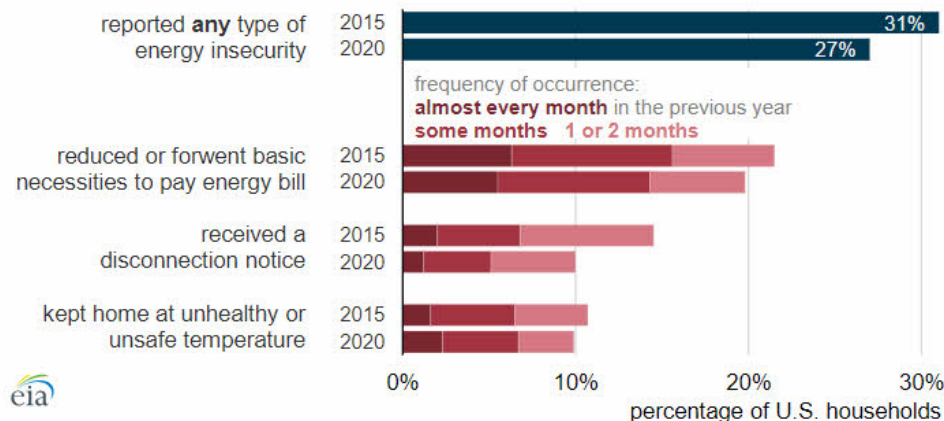
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Energy affordability and equity challenges

Energy burden and insecurity

U.S. household energy insecurity measures (2015 and 2020)



Source: US Energy Information Administration ([Residential Energy Consumption Survey](#))

- “More than 60% of low-income households in the U.S. face a high energy burden, with some paying more than 20% of their income on utility bills.”
- “High energy burdens can lead households to make sacrifices: 27% of all households reported some sort of energy insecurity, leading them to forego other necessities to pay an energy bill or to maintain their home at an unsafe temperature.”
—[Energy Efficiency Impact Report](#) (PDF)
- Over half of low- and moderate-income (LMI) customers report trouble paying their electric bill or had to forgo other household needs to pay their utility bill. And almost one-third of customers have been disconnected at least once in the past 12 months or are in debt.

—E Source, [LMI customer perspectives: Findings from the LIEIF DSM survey](#)

Utility affordability solutions lagging

80% of LMI customers surveyed are highly interested to learn more on how to reduce their utility bill. Despite this, over half of these customers are aware of bill assistance and efficiency programs but aren't participating, and they're also the least likely to understand their utility bills.

—E Source, [LMI customer perspectives: Findings from the LIEIF DSM survey](#)

“[M]illions of eligible households are not receiving any assistance and most states have less than 20 percent participation in LIHEAP.” ... Just 20 states allow discount rates to alleviate energy burdens for low-income customers.

—Rocky Mountain Institute, [A Severe Winter Means High Energy Bills](#)

Demand-side management (DSM) programs for LMI customers are reaching just a small fraction (5%) of households that need assistance.

—American Council for an Energy-Efficient Economy, [Meeting the Challenge: A Review of Energy Efficiency Program Offerings for Low-Income Households](#)

“

Historically, the energy sector echoes racial and class disparities in housing, education, and economic development. Despite the semblance of uniform utility rates and ubiquitous service, the negative outcomes of power shut-offs and cost burdens—and the positive benefits of weatherization, retrofits, and renewable energy—are not evenly distributed.

—[The Energy Equity Project](#) (PDF)

”

Energy inequity, on the ground

“Compared to white (non-Hispanic) households, Black households spend 43% more of their income on energy costs, Hispanic households spend 20% more, and Native American households spend 45% more.”

—American Council for an Energy-Efficient Economy, [Low-Income Households, Communities of Color Face High “Energy Burden” Entering Recession](#)

“Majority-Black communities install 69% less rooftop solar than other neighborhoods that have the same income level”

—US Department of Energy, [Energy Equity and Environmental Justice](#)

“While electric vehicle use is growing rapidly in well-to-do, mostly White communities, minority neighborhoods are being left behind. ... The lack of charging stations and electric vehicles that depend on them threatens to worsen an already disproportionate exposure to air pollution in minority neighborhoods and relegate Black and Latino drivers to gasoline-powered cars, which, though cheaper to buy, are more expensive to fuel and maintain.”

—*The Washington Post*, [Without access to charging stations, Black and Hispanic communities may be left behind in the era of electric vehicles](#)

LMI customers want utility action on equity


- 44% of LMI consumers think it's the utility's responsibility to do its part in addressing larger issues like equity, social justice, and poverty.
- Younger customers sided with this thought (51% of respondents 18–34).
- When asked about their satisfaction level with their local gas or electric utility's efforts in addressing larger issues like equity, social justice, and poverty, only 3 in 10 indicated extreme satisfaction (29%), with homeowners being the most satisfied (38%).

Federal funding opportunities at stake

- The Biden administration's [Justice40 Initiative](#) requires “40 percent of the overall benefits of certain Federal investments flow to disadvantaged communities that are marginalized, underserved, and overburdened by pollution.”
- The US [Inflation Reduction Act](#) (IRA) includes provisions for investing over \$60 billion in clean energy, climate, and electrification measures that support disadvantaged communities (as defined in the legislation).
- With both the IRA and Justice40, utilities have a historic opportunity to leverage federal funding and policy to drive forward a clean and efficient energy economy, help mitigate climate change, lower energy consumer costs, and pursue more-equitable energy opportunities for all.

What are we trying to achieve?

- **Greater engagement** of customers and communities
- **Greater program participation** to maximize energy assistance
- **Increased customer satisfaction** through convenient, flexible services that help people manage their utility bills
- **Increased operational efficiency and lower costs** through self-service options, improved awareness of programs, and reduced burdens on contact centers
- **Reduced customer debt and energy burden** through increased end-use energy efficiency and better arrearage management
- **Increased access to clean and resilient energy opportunities** for underserved and disadvantaged customers and communities



The E Source Affordability and Equity practice

Industry in transition

Environmental responsibility

Reliability and resiliency

Customer equity

Financial stability

The Sustainable Utility



The E Source Affordability and Equity practice



Low Income Energy Issues Forum (LIEIF)

LIEIF conducts research on utility bill affordability, shares information, and identifies solutions for income-qualified customers among a diverse group of professionals.



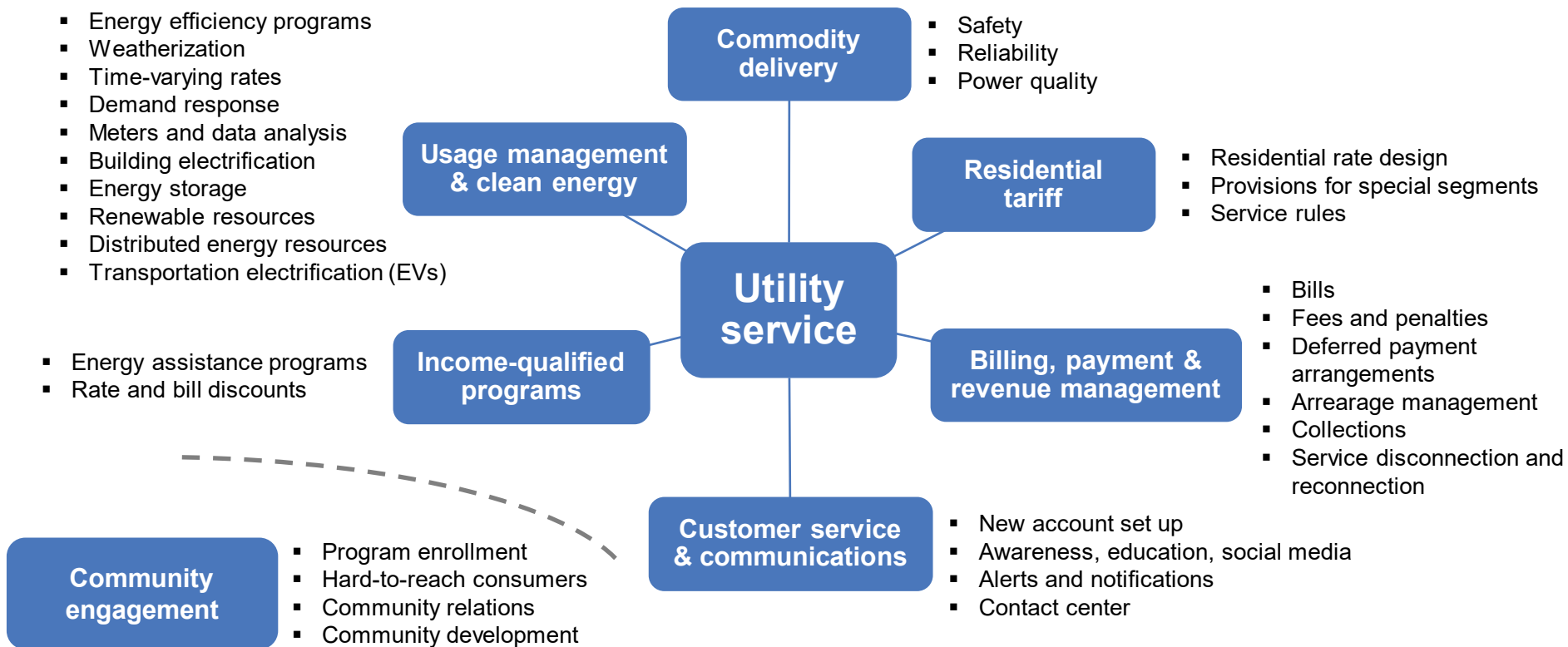
Equity in a Clean Energy Economy (ECEE)

ECEE brings together different stakeholders to create new approaches and tools that ensure equity in a clean energy economy for at-risk customers and communities.

2024 core offerings and deliverables

- Peer-to-peer networking (member roundtables, annual meetings, and workshops)
- Research presentations with webinar slides and links to recordings
- Consumer surveys with reports and cross-tabulations, voice-of-the-customer videos
- Member surveys, interviews, and data requests with report summaries
- Affordability and equity program databases
- Quarterly executive calls for ECEE Executive Council members
- Opportunities for collaborative and multiclient research initiatives
 - In-depth analysis, findings, and workshop or webinar reporting
 - Customer focus groups and interviews with video recordings
 - Customer journey mapping, segmentation, and data analytics
 - Data science, ethnographic research, and program design thinking

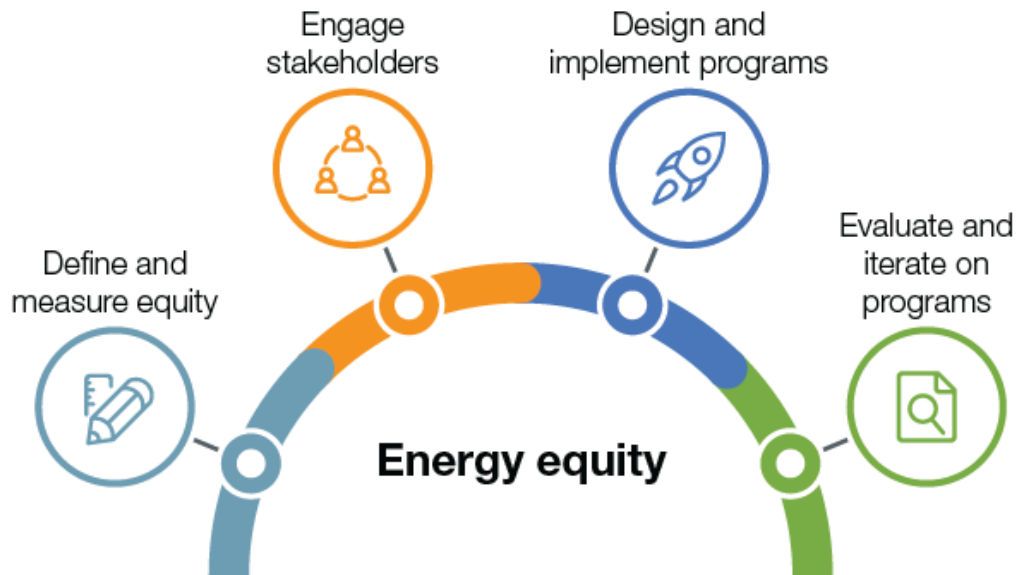
Energy affordability framework



How we can help you

- Better understand and serve income-qualified customers: [LMI customer perspectives: Findings from the LIEIF DSM survey](#)
- Improve bill payment assistance:
 - [Creative approaches to utility payment assistance programs](#)
 - [Make financial assistance a seamless, customer-centric experience](#)
 - [Including debt forgiveness as part of your bill-relief strategy](#)
- Optimize income-qualified energy efficiency programs:
 - [Leading strategies for income-qualified weatherization programs](#)
 - [Increasing heat-pump adoption among low- and moderate-income customers](#)
- Boost adoption: [Increase income-qualified DSM program uptake by improving your customer enrollment and verification strategy](#)
- Enhance income-qualified customer engagement:
 - [The essentials for marketing to low-income customers](#)
 - [Engaging your residential moderate-income customers with the right program strategy.](#)

Energy equity framework



Other focus areas:

- **Program design inspiration**—from emerging equity-focused programs to guide your efforts
- **Cleaner communities are healthier communities**—firmly align clean energy planning and investments with better health outcomes
- **Voice of the customer and community**—to help you better understand and serve customers
- **Evaluation and metrics**—propose and compare different frameworks and metrics focused on equity
- **Regulatory innovation**—establish a conversation around more-equitable tariff structures, integrated resource planning, and regulations

[The energy equity framework that benefits customers, utilities, and underserved communities](#), E Source (2022)

How we can help you

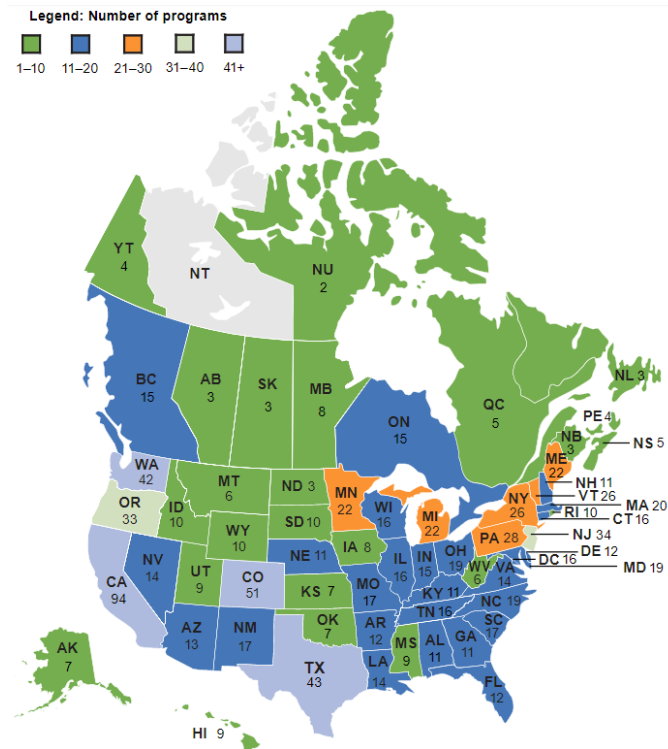
- Learn how your peers are defining equity: [Exploring energy equity frameworks and definitions](#)
- Enhance your internal and partners' equity alignment:
 - [How utilities are adapting their organizational structures to support energy equity](#)
 - [Designing workforce development programs that advance energy equity](#)
- Evaluate your programs with equity in mind:
 - [Aligning the non-energy benefits of utility programs with health outcomes](#)
 - [Include non-energy benefits in cost-effectiveness tests to improve energy equity](#)
- Enable more equitable EV deployment: [How to incorporate equity into your transportation electrification plan](#)
- Explore more equitable rate design: [Equity in a clean energy economy requires rethinking low-income rates](#)
- Reach more diverse and underserved customers:
 - [Delivering multilingual communications to your diverse customer base](#)
 - [How to keep equity at the center of your digital strategy](#)

Affordability and equity program databases

We've [cataloged](#) **800+** initiatives, programs, pilots, and plans offered by utilities, nonprofits, and state, local, and provincial governments in support of energy affordability and equity.

Filterable and searchable by:

- Administrator
- State or province
- Administrator type
- Program purpose
- Program type
- Fuel type
- Sectors served
- Customer metrics
- Eligibility criteria



The E Source Audience of One solution



LMI customer
cohort creation



Ethnographic
market research
with LMI cohorts



Collaborative
design-thinking
workshop

Apply the E Source Audience
of One approach to utility
customer data to develop like
groups of LMI customers

Bring LMI cohorts to life
through ethnographic
market research

Generate customer-
centric solution
concepts based on LMI
customer wants, needs,
and challenges

Check out [Developing comprehensive utility programs for low- and moderate-income customers](#) or [contact us](#) to learn more.

E Source Affordability and Equity advocacy pillars

- Allow categorical eligibility
- Form file-sharing agreements with states
- Allow self-attestation of income and eligibility
- Change requirements to make it easier to enroll
- Create one place for layered solutions
- Simplify and streamline program enrollment
- Designate rates for income-qualified and other vulnerable populations
- Offer arrearage management plans and debt forgiveness

Our open letter

We'll be distributing this [signed letter](#) to members of the two E Source collaboratives focused on energy affordability and equity, LIEIF and ECEE. We have hundreds of members in these two collaboratives working for:

- Utilities (municipal and investor owned)
- State regulatory agencies
- Social service agencies
- Research institutes
- Consumer organizations
- National associations and other nonprofit organizations
- Creative, analytical, and software businesses

These are the utility industry decision-makers who can turn these principles into policies and practices.



CASE STUDY

Using data-driven insights to design a meaningful payment assistance campaign for LMI customers

The challenge

JEA was on a mission to better serve and support its LMI customers. The utility was looking for an effective way to connect with its most vulnerable customers.

The process

After attending an LIEIF event where E Source shared eye-opening customer survey results and utility program participation data, JEA was inspired to develop a more targeted, informed, and empathetic strategy to spread awareness of bill-payment assistance options.

The outcome

JEA's compassion-driven email campaign reached more than 30,000 customers. Its emails received over 1,000 clicks in the first two weeks of the campaign, and content about payment extensions resonated with 25% of recipients.

The utility plans to use E Source data to inform future marketing campaigns and provide LMI customers with assistance that meets their needs.



CASE STUDY

Developing comprehensive utility programs for LMI customers

The challenge

A group of utilities wanted to better understand LMI customers' energy challenges and design solutions to help them manage their utility bills.

The process

Through a collaboration with the Edison Electric Institute, E Source brought together three utilities with a shared goal.

The outcome

By examining the insights from E Source's data analysis and listening to direct customer feedback, the participating utilities developed greater empathy for the challenges facing their customers. They created innovative solution concepts that support timely payments, home efficiency, and better access to assistance.

Building the business case for energy equity

- The ECEE collaborative held an Executive Advisory Panel workshop in August in Detroit to bring together senior executive members to discuss how to build a business case to advance our thinking around equity.
- The workshop featured a roundtable discussion, presentations on research findings and utility updates, in-person networking, and a collaborative exercise.
- Attendees told us they found the time together to be productive and invigorating. They built and rekindled relationships through in-person sharing and interaction, and they seemed to appreciate having a safe space where they could ask questions and test ideas with their senior executive peers.
- They worked to understand the gaps in their business case analyses, discussed next steps on how to fill those gaps, and identified priority research areas for the collaborative going forward.

“

I have been finding your information very helpful in our ‘equity in business practice’ initiative. We are standing up a team (which right now is me) to incorporate equity in everything we do—a way to incorporate equity into our decision-making. I’m going to be leading this initiative and have been in the fact-finding stage for past four to six months. Your information has been super helpful for me. Now I’m on the lookout for specific examples of how other companies have developed a framework.

—An ECEE member

”

LIEIF 2024 annual meeting

Join more than 75 participants to engage in member roundtables, insightful panel discussions, breakout discussion groups, and presentations showcasing LMI customer survey discoveries, databases of income-qualified utility programs, and more.

[REGISTER](#)

 **E Source**

Low Income Energy Issues Forum (LIEIF)

► 2024 Annual Meeting

February 1–2, 2024
Bellevue, Washington

Hosted by



This annual meeting brings together utilities, solution providers, state regulatory commissioners, and consumer advocates to work toward innovative and integrated policies and approaches that help low-income customers manage their utility bills.

[REGISTER HERE](#)

QUESTIONS



forum

Keep in touch!



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