

November 16, 2022 – Vermont Statewide Housing Conference

Energy Justice

Challenges and Opportunities in Vermont

Peter Walke

Managing Director, Efficiency Vermont



Who we are

- Statewide energy efficiency utility
- Reduce the cost of energy for all Vermonters
- Help families, businesses, and institutions understand and make better use of energy and reduce greenhouse gases



What we do

- Direct support through incentives, training, and technical advice
- Market transformation through supply chain engagement
- Partnership with energy service providers



The impacts of efficiency

Over \$3 billion

Lifetime savings from
2000-2021

Over 13 million
metric tons of
CO₂e

Lifetime avoided
from 2000-2021

2.8 million
cars

Equivalent impact of
GHG emissions
avoided

38% lower

Vermont's average
energy bills, below
the national average

9,832 jobs

Vermont's energy
efficiency jobs – 58%
of the clean energy
workforce

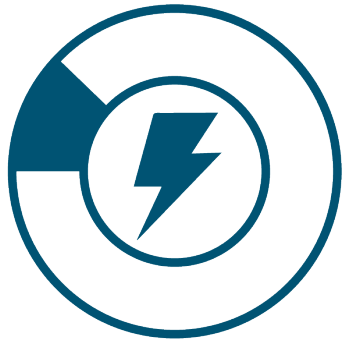
482

businesses

Efficiency Excellence
Network members

The economic value of efficiency

Efficiency comprises over 15% of VT's electric portfolio, delivered at 75% of the cost of purchasing new power.



15.1%

Percentage of Vermont's 2020 electric needs met by efficiency



5.6¢/kWh

Cost of saving electricity with efficiency



7.4¢/kWh

VS Cost of supplying electricity



\$12.96/MMBtu

Cost of saving fossil fuel with efficiency

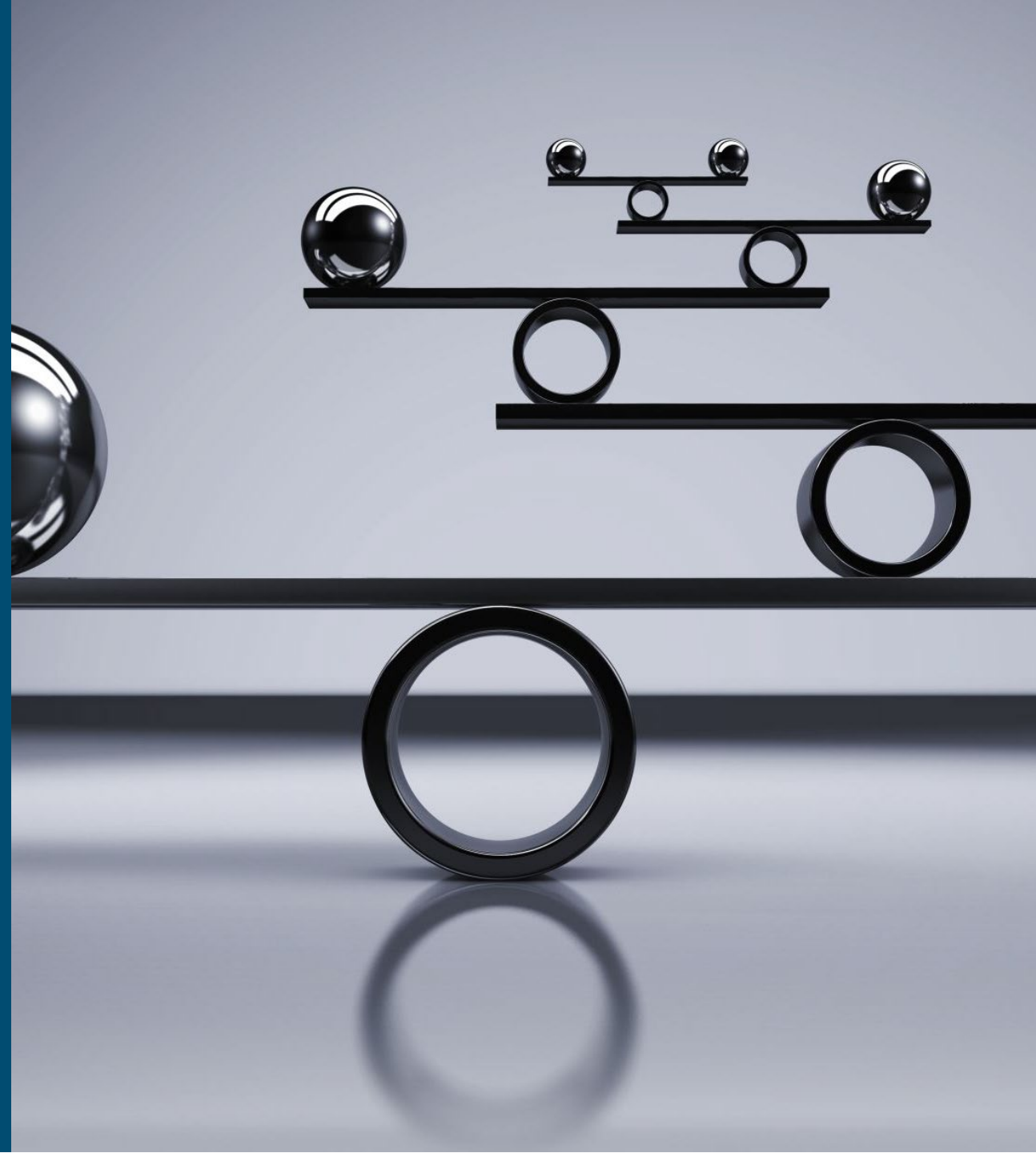


\$23.52/MMBtu

VS Cost of supplying fossil fuel

But the benefit has been
felt inequitably

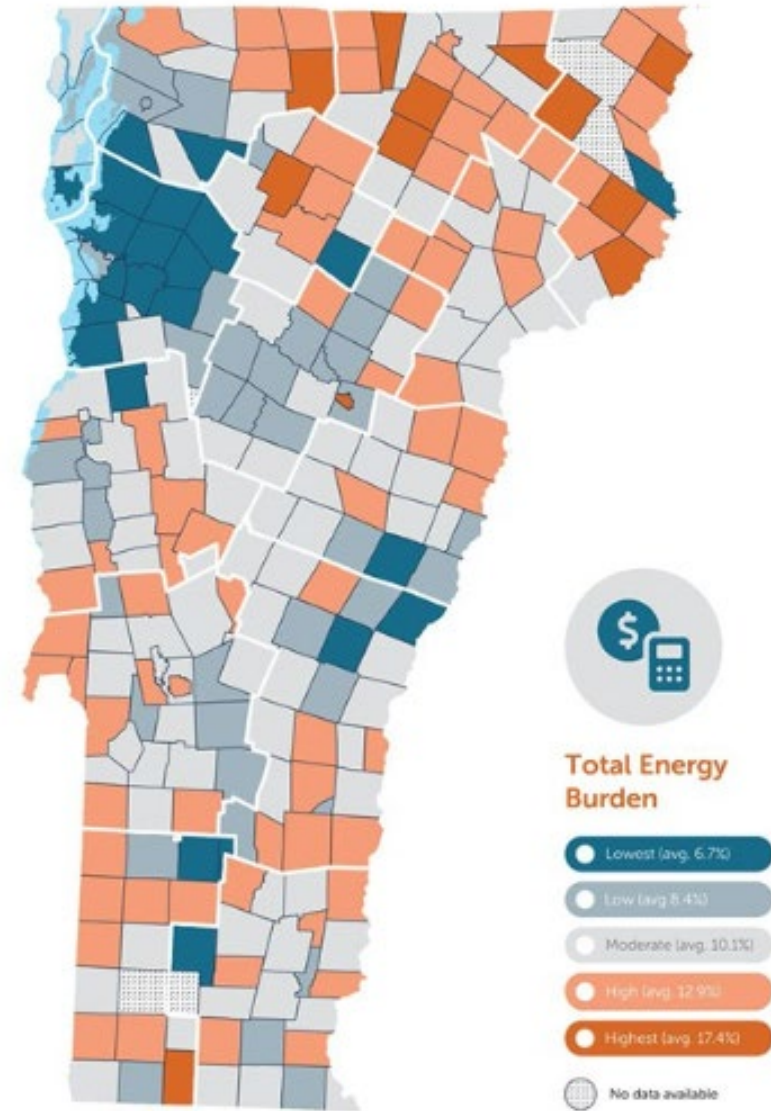
Energy Justice asks us to
think about benefits
differently



Energy Burden

Key findings (2019)

- At the town level, we estimated that average energy burden ranges from 6%-20%
- Lower income Vermonters use less energy
 - ...but spend a much higher proportion of their income on energy costs
 - Often manage energy costs by using cheaper fuel (for example firewood), keeping their homes colder (energy insecurity)
 - But lack the resources to make up front investments (weatherization, appliance and heating system upgrades) that will significantly decrease energy costs over the long term



Energy Equity and Energy Efficiency

Structural Context

Our charge is to *realize all reasonably available, cost-effective energy efficiency savings* (30 V.S.A. § 209)



What it means in practice

Ensures we lower system-wide costs for everyone.

It also pushes us to pluck the low hanging-fruit and the cheapest efficiency.

VT energy code moving toward net zero



Decreases energy costs over long term, assuming compliance by builders

We only get credit for energy savings “above code” – new construction projects are very high cost/very low savings

Lack of state policy clarity on how to measure and track equity



“Minimum spend” requirements are blunt instruments – it is challenging/expensive to track demographic and other metrics

Energy Equity and Efficiency

Current Context

Inflation

In today's inflationary environment, every kilowatt hour saved costs more, which impacts our cost effectiveness

COVID-19 / Workforce challenges

The pandemic and subsequent workforce challenges have slowed down business investment in energy efficiency as businesses prioritize core work. Commercial and industrial energy efficiency has historically balanced harder to reach efficiency

Limited in our knowledge

Our engagement with underserved customers has been limited, and we need to keep working to understand needs

“ I am concerned you don't do enough to support renters and non-white residents.

We shouldn't have to educate you on what needs to be done. We want to see and feel change that improves our lives.

Sample partner quotes

Engaging Communities

Start by asking what's needed

In 2024-6, Efficiency Vermont hopes to dedicate significant budget resources to equity engagement and pilot efforts:

- Participation compensation and stipends for customers and grassroots partners
- Including additional equity investments in program budgets – to support bonus incentives, equitable program design, and resources to remove barriers
- Research, development, and testing of new methods for measuring equity and impacts
- Understand what underserved customers want and need from EVT

Valuing Equity

Make sure equity is rewarded

In 2027-9, we hope to put new learnings into practice:

- New and changed metrics to help drive equitable outcomes across all our work
- Collaboration with Regulators and partners to address structural challenges, and ensure Efficiency Vermont is helping support progress on GHG and Equity goals

Prompting discussion/collaboration...

What unique role does the housing community have?

What frustrations do you have? What is working well?

What have you heard from tenants and communities?

Show me the money: is it an investment issue or are there structural challenges to energy justice?

How do energy and housing policies need to change? And under what authority?

Thank you for engaging

Peter Walke

802-681-6760

pwalke@veic.org

20 Winooski Falls Rd, 5th Floor

Winooski, VT 05404

efficiencyvermont.com

Efficiency
Vermont