Hawaii Public Utilities Commission Equity Docket **Opening Conference #2**

March 8, 2023



STATE OF HAWAII PUBLIC UTILITIES COMMISSION

https://puc.hawaii.gov/energy/equity/





Presentations: PUC 101 and Context for Energy Equity in Hawaii (20 min)

Agenda



Break (10 min)



Small Group Discussion (45 min)



Wrap Up & Next Steps (10 min)

Objectives

Provide an overview of the Commission's proposed approach to the energy equity proceeding, including proposed topics, outreach plans and other informational resources



Solicit feedback on the Commission's planned approach and identify ways that interested participants can get involved



- **Practice equity of time**. If you are speaking a lot, consider asking someone else for their thoughts. If you haven't spoken, try to find a way to contribute.
- **Treat others with respect.** Consider the impacts of your words and actions on others. Examine and critique systems, not people.
- Accept others' lived experiences. What someone says they experienced is what they experienced. No singular experience is representative of everyone's experience.
- **Come ready to learn. Question your assumptions**. Make sure you understand others' perspectives so you can contribute to the discussion.
- **Bike rack. Strive to stay on topic.** Staff will record questions and ideas outside the scope of this meeting in the "bike rack" for consideration at a later time.

Opening Conference #1

4553 ¹	Welcome, Overview & Introductions
<u>.</u>	Presentations: PUC 101 and Context for Energy Equity in Hawaii
Ō	Break
Fill	Discussion
	Wrap Up & Next Steps
L	[Optional] Talk Story

- Explained how to participate in PUC dockets
- Provided context for the Equity proceeding

 Solicited community feedback on energy equity considerations

> To access the recording, slides, and notes from Opening Conference #1, visit <u>https://puc.hawaii.gov/energy/equity/</u>

Docket No. 2022-0250: Investigating Equity

Hawaii Public Utilities Commission

Hawaii Public Utilities Commission

Key Terminology

Term	Preliminary Definition
Energy Equity	Refers to 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.
Vulnerable Populations	Those who are economically disadvantaged, certain racial and ethnic minorities such as Native Hawaiians, the elderly, rural residents, those with inadequate education, and those with other socioeconomic challenges,
Energy Burden	Energy burden is the percent of a household's income spent to cover energy.

The Commission is aware of parallel efforts by the Energy Equity Hui to craft Hawaii-specific definitions, and will aim to adopt those once complete.



Equity Tenets

Equity Tenet	Preliminary Definition				
Distributive Equity	Distributive Equity is recognized as sustainability programs and policies resulting in fair distributions of benefits and burdens across all segments of a community, prioritizing those with highest need.				
Procedural Equity	Procedural Equity is the inclusive, accessible, authentic engagement and representation in processes to develop or implement sustainability programs and policies.				
Recognition Justice	Recognition justice identifies who is being ignored in decision-making, and how that should be remedied so that all individuals are fairly represented and offered equal political rights.				
Intergenerational Justice	Intergenerational justice relies on making decisions based on whether a decision would "increase rather than limit the development options of future generations.				



Challenges to Energy Equity

- High energy rates
- High energy burden
- Unequal access to renewable energy
- Need for utility payment assistance
- Infrastructure siting
- Land constraints
- Regulatory process burdens
- Others!







Pathway 1: Energy affordability measures & financial assistance

- Actions and measures may include:
 - Rate discounts
 - Bill credits
 - State and federal utility payment assistance
 - Bill assistance and payment programs
 - Benefits for specific customers, including:
 - Retired senior citizens
 - Fixed income customers
 - Customers with infants

Pathway 2: Equitable Access to Clean Energy

Distribution of benefits from programs	 Distributed energy resource (DER) programs Community-based Renewable Energy (CBRE) Energy efficiency & demand response Time-varying rates Electrified transportation
Community engagement	 Input into system planning Community benefits agreements Host community benefits
Expanded and enhanced financing programs	 Low-interest loans On-bill financing





Pathway 3: Utility Business Model Reforms

- Actions and measures may include:
 - Modifications to the performance-based regulation ("PBR") framework, for example:
 - An equity-focused incentive for utility performance
 - LMI assistance fund
 - Assessing the equity of the existing mechanisms
 - Reporting and transparency on key metrics
 - Consideration of disconnection moratoriums
 - Pursuing innovative pilots
 - Modified accounting practices
 - Universal basic kWh programs

Pathway 4: Procedural Equity Improvements

- Actions and measures may include:
 - Streamlining and simplifying customer program enrollment
 - Improved customer outreach and education
 - Streamlined community engagement
 - Making Commission proceedings more accessible
 - Establishing Commission-specific reporting metrics to monitor and assess the efficacy of activities
 - Developing an equity and justice action plan or decisionmaking framework for the Commission



Example Approach for this Proceeding

Sample High-Level Proceeding Overview

We are proposing 4 possible work streams / tracks over the course of an initial two-year period

Energy Affordability & Direct Financial Assistance

- Mostly active over the first year
- Activities & outputs include community education on existing programs, informal workshops, & development of an affordability pilot rate &/or program(s)

Utility Business Model Reform

- Mostly active over the first year
- Activities & outputs include workshops and a staff report recommending regulatory mechanisms to be considered in the PBR docket

Equitable Access to Clean Energy

Active over most of the proceeding
Activities & outputs include a series of informal workshops, requests for information, and development of a low-income DER program(s)

Procedural Equity

- Active over the whole proceeding
- Activities & outputs include ongoing outreach, proceeding accessibility improvements, a PUC internal action plan to guide equitable decision-making, and intervenor compensation policy

Sample High-Level Proceeding Timeline

Q	21 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
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ENERGY AFFORDABILITY & DIRECT FINANCIAL ASSISTANCE

EQUITABLE ACCESS TO CLEAN ENERGY



UTILITY BUSINESS MODEL REFORM

PROCEDURAL EQUITY

Additional Notes

- Energy equity is a broad and challenging topic to address
 - Some topics may be resolved more quickly, while others will require more time
- The Commission is aiming to move at a thoughtful, measured pace, noting participants' bandwidth and availability
 - We want to balance taking action and producing results with making informed decisions
- Feedback is welcome on topics we are missing, the proposed approach, or other aspects of the docket



Questions?

Breakout Groups

- 2 rounds of 15-minute breakouts
- Each round will have the same 4 breakouts, with virtual & in-person options to participate
- Self-select into whichever topics most interest you



Plenary Share Out & Discussion

Breakout group share outs and Q&A

Taking a step back and looking at all four equity pathways, what might be missing from the Commission's proposed approach?

Next Steps

Check out https://puc.hawaii.gov/energy/equity/ for information on this docket

The PUC will incorporate feedback shared today and in Opening Conference #1 into a final proceeding work plan

• The work plan will be available to the public, once ready

The PUC will be in touch with next steps, including information about upcoming events and opportunities to get involved

• Sign up for email updates about the equity docket <u>here</u>

In the meantime, feel free to file a public comment in the docket (Docket No. 2022-0250) anytime

Send your comment to <u>puc.comments@hawaii.gov</u>



On your phone, go to pollev.com/rmi601

Take the poll at your own pace

Hit the "Next" button on the top of your screen to move on to the next question You can respond to the openended questions more than once, as needed ਫ਼ਿ

You can rewrite your answer by clicking the "undo" icon The survey will remain open until midnight tonight



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Mahalo!