

NEIGHBORHOOD CONVERSATIONS

HOW TO LISTEN AND TALK
ABOUT ENERGY WITH
DISADVANTAGED COMMUNITIES



REPORT

Working towards equity in clean energy

The first step toward reducing energy burden and improving the wellbeing of at-risk communities is to provide reliable access to clean, affordable energy.

Energy is a basic need. But economic disparity, systemic racism, and displacement arising from the impacts of climate change have led to inequities in Americans' access to energy. An Energy Information Administration study¹ found that nearly one-third of American households struggled to pay their energy bills. One in five American households was forced to choose between paying energy bills and buying food or medicine, and 11% said they had kept their home at unhealthy or unsafe temperatures due to financial constraints. It also found that Black families reported 20% more energy insecurity than White families. Compounding this, many low-income communities and communities of color are disproportionately impacted by air,² water,³ and soil pollution⁴ caused by producing and burning fossil fuels.

Inequities in energy access and affordability came into even sharper focus during the COVID-19 pandemic, when many Americans in vulnerable communities faced the prospect of having their power shut off after job losses or illness. Additionally, medical research found an alarming link between the air pollution found in many vulnerable communities and higher death rates from COVID-19.⁵

Locally, nationally, and globally, decarbonization holds unique potential as a means of addressing inequities related to energy access and affordability, and environmental health effects. But clean energy won't solve these inequities in and of itself—we must mindfully design the transition to do so. Governments, utilities, corporations, non-profits, and other stakeholders must make a conscious and concerted effort to bring equity to the forefront of their energy-related planning. Equity-focused goals must be set to improve energy access and affordability, reduce environmental hazards, and



Conversations with community-based organizations

promote diversity, equity, and inclusion (DEI)—and must be concretely tracked and measured to ensure progress towards those goals.

This paper offers insights from community-based organizations (CBOs) that create a pathway for utilities and regulators to better understand how to reach and develop programs for disadvantaged communities.

During the second half of 2022, DNV interviewed 26 CBOs located in 10 states—California, Colorado, Arizona, Pennsylvania, Connecticut, Washington, Massachusetts, Michigan, Nevada, and New York. The interview guides were developed by DNV consultants with experience in primary

research design and energy equity. The interviews focused on community priorities, energy accessibility, customer awareness of utility programs, and effective engagement strategies. Once the interviews were completed, DNV summarized and categorized the responses.

Below we present key findings from the in-depth interviews. Statements included in quotation marks are direct quotations from individual respondents, who will remain anonymous to protect privacy. In categorizing the responses and developing the key findings, DNV endeavored to use respondents' own words and sentiments as much as possible without editorializing.

Who are at-risk customers?



Low and moderate-income households

Historically under-represented communities



Environmentally vulnerable communities



Key findings

Energy program designs and messaging don't align with community members' concerns.

According to CBO respondents, energy companies tend to think about energy in terms of usage and technologies, while community members tend to think about it in terms of affordability and quality of life. Fourteen of the interviews highlighted energy affordability and access as the most important energy-related issues for their communities, with these issues being seen as part of the broader issue of poverty.

Designing and presenting programs from the utility perspective makes it difficult for community members to see the benefits or applicability of the programs.

"To improve their relationships with community organizations, utilities must better align their program goals with community needs. For example, while utilities design programs to achieve specific policy and climate goals, community members are more interested in simply saving money on their energy bills. These disparate goals need to be in better alignment."

Recommendation

Design and market programs around affordability goals.



Upfront costs are a barrier to participating in energy efficiency programs.

Many of the respondents said that housing stock in their communities was in poor condition and needed extensive repairs before energy efficiency could even be considered. Respondents also observed that even with traditional rebate programs, energy efficiency home improvements still require a large initial investment by the property owner, and that this investment is a barrier.

“Some of our community members spend more than 50% of their income on their energy bills. There are not a lot of programs to help them lower their energy use besides those that require thousands of dollars to participate in (A/C replacement, for example).”



50%
of income spent
on energy bills

Recommendation

Offer low- and no-cost energy efficiency programs that make it possible to address underlying structural issues in the home along with energy efficiency improvements.

Lack of awareness of utility programs is also a barrier.

Utilities in all the jurisdictions where DNV conducted interviews offer low- or no-cost programs for low-income customers that either complement or resemble federal weatherization assistance programs. The fact that respondents did not mention these programs suggests a gap in awareness or accessibility. When asked directly, only eight interviewees mentioned a utility program targeted at helping

disadvantaged communities, and only two mentioned an energy efficiency program. Ten said they were not aware of their state's policies around identifying disadvantaged communities while eight said they were familiar with those state policies. Some respondents also discussed the effects of limited English proficiency and a lack of internet access.

“Utilities need to understand that not everyone in the BIPOC community has a smart phone and they may not understand TV ads due to a language barrier. They may still go into the office to pay their bills with cash. Utilities need to find a way to reach those communities directly.”

Recommendation

Make sure programs are well-marketed through multiple channels and translated into locally spoken non-English languages.

Some utilities still have to gain the trust of communities.

Six of the respondents specifically mentioned distrust and the seemingly contradictory actions of utilities.

"Utility efforts seem very hollow at best, when juxtaposed with the fact that they are trying to increase rates even though we are one of the poorest communities in the country but already pay disproportionately higher rates."



"Utilities are trying to increase market share while pushing 'clean' energy to make themselves look good."

"While I was living in <city>, <utility> reached out about bill support programs during the pandemic. These programs were almost impossible to access, and when I did gain access I realized that they didn't offer much support. <Utility> also slapped me with erroneous charges they could never explain. My neighbors felt like <utility> was making things up. And then they had the audacity to say, 'Oh, people are angry at us now? Well let's give them a program to save face!' It's very disingenuous."

Recommendation

Listen closely to the needs of communities before acting.

"If <utility> wants to address the needs of the people, step one would be connecting with the people to ask what they need and working WITH the community to implement programs and make sure they are accessible."

"I'm a firm believer in the old school way of going into a community and listening to people's needs. It's important to understand the language. People often want to plow through what they think the need is, rather than listen. Once you connect to the community, you've removed barriers for them because you've engaged them. If you're not authentic, it will do damage. What are communities faced with? Make sure you listen."

"Learn by talking with the community members rather than imposing 'solutions' from the top-down. More focus groups, interviews, town halls; provide resources and capacity for community collaboration and organization."



CBOs can help any energy organization better understand the needs of communities.

Eleven of the respondents mentioned partnering with local organizations and community activists as the best way to understand complicated needs and reach challenging markets.

"Utilities should be going into the community. If that is not an option due to a lack of trust, utilities should connect with organizations that have community trust and collaborate with them by hosting listening sessions, offering incentives, and demonstrating sincerity through policy choices and decision-making."

"The best way to reach communities is through grassroots organizations who can vet the program/service and provide feedback about its community reception and effectiveness."

As utilities engage with CBOs, it is vital that the utilities work to cultivate mutually beneficial relationships:

"If utilities really want to reach low- and moderate-income people, they should be partnering in a supportive way and funding grassroots organizations who can then pay workers to go out and talk to people, to help them navigate this complicated system."



"There needs to be sensitivity training conducted by community advocacy organizations. There need to be genuine relationship-building and an acknowledgment of harm done by the utility community."

"For a successful example of advocacy in action, let's take a look at covid vaccines. The State collaborated with the Harvard School of Public Health to design a program to educate communities of color about vaccine safety and efficacy. They paid non-profits and hired people in the community to do local organizing. Another good idea is to pay churches to identify ambassadors who could conduct outreach in their congregations through one-on-one conversations and larger church events."

Recommendation

Engage CBOs as respected partners and compensate them for their time and contributions.

Contacts



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Jarred has worked for DNV for over 19 years and currently serves as Senior Vice President of the Markets and Risk North America service area. He is an experienced executive leader and engineer with demonstrated expertise in energy management, energy efficiency, and residential and commercial energy systems. Jarred collaborates with colleagues locally and globally to define analytical, service, and digital solutions across energy efficiency, decarbonization, resilience, smart grid, distributed energy resources, and renewables so that they are accessible to all communities. Jarred serves clients by strengthening and developing customer relationships and working with senior leaders, managers, and more than a thousand analysts, consultants, and engineers across North America. Jarred leads DNV North America's Diversity Equity and Inclusion community engagement efforts, which include scholarships, seminars, and programs for STEM students, and support for environmental and social justice events in the communities near DNV staff and offices. Jarred earned his Master of Science in mechanical engineering from the University of California, Berkeley, with an emphasis on urban/wildland fire modeling and a Bachelor of Science in mechanical engineering from Louisiana State University.



Dr. Shawn Bodmann

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Shawn helps clients better understand their customers' needs and experiences and tailor their programs to those customer needs, particularly for disadvantaged customers. He specializes in synthesizing diverse data gathered through a wide range of methods, from in-depth ethnographic interviewing to representative surveying to data science. Shawn leads the North America Energy & Climate Equity group, which works to promote a fair and just energy transition that provides traditionally marginalized communities with equitable access to economic and environmental benefits.



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Crystal assists clients with designing industry-leading solutions that meet their complex energy and climate equity needs. With a decade of experience helping hospitals enhance patient safety and quality while meeting regulatory requirements, she leads DNV's Equity Accelerator efforts to optimize the performance of energy and climate equity investments while enhancing safety and benefits to at-risk customers. Crystal is an acting co-chair of the Black Employee Network at DNV, working to create path to greater understanding about diversity and inclusion within the company and beyond.

Endnotes

¹ <https://www.eia.gov/todayinenergy/detail.php?id=37072>

² <https://advances.sciencemag.org/content/7/18/eabf4491>

³ <https://www.nrdc.org/resources/watered-down-justice>

⁴ <https://www.thenation.com/article/archive/race-best-predicts-whether-you-live-near-pollution/>

⁵ <https://www.nytimes.com/2020/04/07/climate/air-pollution-coronavirus-covid.html>



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DNV is an independent assurance and risk management provider, operating in more than 100 countries, with the purpose of safeguarding life, property, and the environment. As a trusted voice for many of the world's most successful organizations, we help seize opportunities and tackle the risks arising from global transformations. We use our broad experience and deep expertise to advance safety and sustainable performance, set industry standards, and inspire and invent solutions.

IN THE ENERGY INDUSTRY

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