

Issue in Focus: Benchmarking Local Governments' Equity-Related Clean Energy Actions

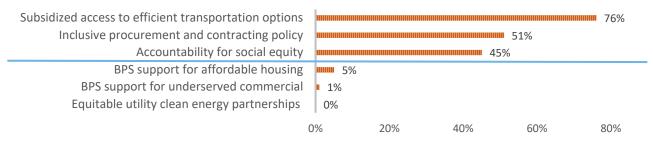
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Through ACEEE's <u>Leading with Equity Initiative</u>, The 2024 City Clean Energy Scorecard <u>significantly increased its focus</u> on social equity. Our new edition increased the share of points for equity-related metrics to 34%, prioritizing metrics based on feedback from participants in the Leading with Equity Initiative.

Here, we highlight a new or revised equity-related metric from each section of the *Scorecard* and share an example of how cities are implementing these actions to advance equitable outcomes. We offer this brief as a resource for cities looking to increase the equity focus of their clean energy actions. You can find more details in the full *Scorecard* report.

For equity-related actions, the median score earned by cities was only 18% of the available points. Figure 1 highlights some of the most and least common equity-related actions that cities pursued. Many of the actions included in the *Scorecard* show a particular need for growth, with very few cities acting on metrics such as developing strong partnerships with community-based organizations and supporting underserved commercial buildings and affordable housing in complying with building performance standards.

EQUITY-RELATED METRICS WITH THE HIGHEST AND LOWEST NUMBER OF CITIES EARNING CREDIT



■ Proportion of cities earning partial or full credit

Figure 1. This figure shows the equity-related metrics where the most and the fewest cities earned partial or full credit. While the Scorecard also includes metrics that measure utility actions, this figure includes only actions that are primarily under cities' control. BPS refers to building performance standards.

Appendix A lists all equity-related metrics included in the *Scorecard* and the share of cities earning credit for each. Below, we highlight metrics that are either new in this *Scorecard* edition or are significantly expanded; we also offer an example of a city's action in that category. Cities can explore the examples

below and the associated links to inform their own actions as they identify the most appropriate approaches for their specific context.¹

Community-wide initiatives: Equity-driven community engagement

Disadvantaged communities often face barriers to engaging in decision-making processes, resulting in decisions made without their expertise, lived experiences, and interests in mind (Ayala, Drehobl, and Dewey 2021). Equity-driven community engagement aims to reduce these barriers and expand access, participation, and roles for disadvantaged communities in planning and policy decisions. Effective community engagement can help cities create policies and implement plans that reach disadvantaged communities and meet their needs.

In this year's *Scorecard*, we revised and expanded our assessment of equity-driven community engagement practices. In the *2021 Scorecard*, cities received points for using at least one community engagement approach. The expanded *2024 Scorecard* metric aimed to recognize cities that have institutionalized equity-driven engagement to ensure high-level community involvement. Cities could earn credit for developing a mandated equity-driven community engagement protocol for policies, projects, and/or proposals. This protocol must require city staff to determine the necessary engagement level, set a community engagement budget, and identify city staff roles and responsibilities for the community engagement process.

Only one city—Oakland—earned full credit for this metric; 28 cities received partial credit.

City example:

Oakland has created several innovative, unique structures for equitable engagement with frontline communities. In developing its 2030 Equitable Climate Action Plan (ECAP), the extensive community engagement included community workshops, online resources and feedback, social media, town hall meetings, and youth engagement. The city held workshops alongside a local equity facilitator team; sent surveys in three languages; held events in its most climate-impacted neighborhoods at various times and dates; and provided language interpretation, meals, and childcare services for participants. The City of Oakland and the equity facilitator team also created a *Racial Equity Impact Assessment and Implementation Guide* to ensure equitable delivery of each ECAP action item, thus institutionalizing these engagement practices. Furthermore, Oakland created a Multifamily and EV Working Group of diverse stakeholders to tackle the issue of getting EV charging infrastructure into multifamily buildings, primarily in low-income areas. The city has also established specific equity-focused groups for the creation of an Urban Forest Master Plan, West Oakland Community Action Plan, and Oakland Climate Action Network.

Buildings: Low-income electrification incentive and financing programs

Many cities are exploring ways to ensure that low-income households are not overlooked in efforts to advance building electrification. Low-income households often do not have access to the funding required to switch out heating equipment that uses fossil fuels, and converting to an all-electric home can increase utility bills in some cases (Wilson et al. 2024). These households need incentive and

¹ In this brief, we focus on actions led most directly by cities to support city action, and therefore do not feature utility-focused examples. The utility sector has a vital role in creating an equitable energy system; interested readers can explore this sector in the "Community Energy Infrastructure" chapter of the *Scorecard*.

financing programs that anticipate and address these cost challenges. We awarded full credit to cities that had two or more grant or loan programs that specifically support low-income home electrification or that advance equitable electrification through non-targeted incentive or financing programs.

Only seven cities—Baltimore, Chicago, Denver, Oakland, San Francisco, Seattle, and Washington, DC—received credit for this metric.

City example:

Washington, DC, earned credit for the Affordable Home Electrification program offered through the DC Sustainable Energy Utility (DCSEU). The program offers no-cost electrification retrofits for qualifying low-income owner-occupied and renter-occupied homes. Equipment installed by the program also comes with a 12-month service warranty from the installation contractor. To offset any potential utility bill increases, all households participating in the program must also participate in DCSEU's Solar for All Community Solar or Single-Family Rooftop Solar program. These programs will either install solar on a low-income household's home or enroll a household in a community solar program, reducing their electric bills through credits generated from the solar systems.

Transportation: Equitable electric transit bus goals

Many low-income communities and communities of color <u>rely on public buses</u> as a mode of transportation (Clark 2017). As municipal fleets transition to electric vehicles, cities can set goals to ensure that disadvantaged communities are prioritized in electric bus deployment. Converting public buses from gas to electric <u>reduces local air and noise pollution</u>, which can improve health outcomes for individuals living nearby (DOT 2023). Prioritizing electric bus deployment in disadvantaged communities can help to ensure that these communities benefit from public transportation options and reduced exposure to pollution. Cities could earn credit if the city or transit agency had criteria for deployment of EV buses that prioritize the city's defined disadvantaged communities.

Twenty-three cities received credit for including criteria for deployment that prioritized disadvantaged communities in their goals to increase the number of EV transit buses in service.

City example:

New York City set criteria to prioritize disadvantaged communities in electric bus deployment. In its Zero Emission Bus Transition Plan, the Metropolitan Transportation Authority (MTA) identified Equity Priority Areas by finding statistically significant geographic areas based on characteristics such as race, poverty status, and vehicle ownership. It also mapped air pollution levels onto the bus service territory. The MTA combined the Equity Priority Areas with air pollution levels to determine an Environmental Justice Score, which is used to prioritize communities most impacted when assigning bus routes and depots (MTA 2022).

Local Government Operations: Inclusive procurement and contracting processes

Cities can help address disparities in clean energy jobs by creating inclusive procurement and contracting processes that prioritize and provide resources to support minority, women, and disadvantaged business enterprises (MWDBE) or contractors. This edition of the *Scorecard* significantly increased the available points and expanded the metrics around inclusive procurement and contracting processes. These processes can include strategies such as setting goals or targets for MWDBE participation in city contracts; streamlining contractor access to project opportunities and support

services; using best-value contracts; matching right-size projects with right-size contractors; engaging community organizations to assist contractors in reaching MWDBE goals; establishing project fees to fund support services infrastructure; and assisting with capacity building and succession strategies for MWDBEs (Fairchild, Rose, and Tell 2018). Cities could earn credit for having the following: inclusive procurement and contracting processes and strategies, evidence that such processes and strategies were implemented, assessment of city procurement and contracting, and actions to ensure high-quality jobs.

Only one city—Madison, Wisconsin—received full credit for these metrics, indicating a significant need for more cities to pursue inclusive procurement processes.

City example:

Madison has made multiple efforts toward inclusive procurement and contracting processes, including an ordinance and goal for small business enterprises in the Public Works Department and annual participation goals for Disadvantaged Business Enterprises in projects funded by the Federal Transit Administration. The city's processes include significant communication and advertising to MWDBEs, negotiation with MWDBEs, and best-value contracting. The City of Madison created internal guidelines to ensure inclusive procurement and requires that purchases between \$10,000 and \$49,000 get three quotes, including one from a diverse business. Madison tracks contracts throughout the duration of projects to ensure that the city meets its commitments to fair contracting and equity. Madison's contract tracking includes ensuring prompt payment, contract compliance, and compliance with affirmative action plans; conducting onsite reviews; and implementing employee support. The city screens contractors for workplace violations, institutes best-value contracting and affirmative action plans, and prohibits contractors from asking about past convictions when hiring employees. Among other projects, the city has applied these inclusive procurement and contracting processes to the Madison Metro EV bus project.

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Appendix A: Performance on Equity-Related Metrics in the 2024 City Scorecard

This table lists all equity-related metrics in the *Scorecard* and the share of cities earning credit for the action so that readers can easily compare performance across the metrics. See the full *Scorecard* for a detailed overview of each equity-related metric's methodology and Appendix B of the *Scorecard* for information on metric changes in this edition.

The <u>City Scorecard landing page</u> offers access to the full report and companion city one-pagers; <u>ACEEE's Local Policy Database</u> has additional city-specific information.

Table 1. Equity-related metrics in the 2024 Scorecard

Metric	Chapter	New or revised metric	Share of cities earning credit
Low-income energy efficiency program portfolio*	Infrastructure	Revised	88%
Subsidized access to efficient transportation options	Transportation	Revised	76%
Multifamily programs*	Infrastructure	Revised	75%
Low-income energy efficiency program funding braiding*	Infrastructure	Revised	60%
Low-income energy efficiency program gap analysis*	Infrastructure	New	52%
Inclusive procurement and contracting policy	Local Government	Revised	51%
Accountability for social equity	Community-wide	Existing	45%
Low-income energy efficiency incentive and financing programs	Buildings	Existing	45%
Equitable sustainable transportation plan	Transportation	New	45%
Affordable housing around transit	Transportation	Existing	45%
Dedicated funds to reduce Weatherization Assistance Program deferral rates*	Infrastructure	Revised	45%
High road worker standards for contracting	Local Government	New	41%

Metric	Chapter	New or revised metric	Share of cities earning credit
Equity-driven community engagement	Community-wide	Revised	39%
Disparity study of inclusive procurement and contracting	Local Government	New	39%
Low-income energy efficiency program equity goals*	Infrastructure	New	36%
Equitable electric transit bus goal	Transportation	New	31%
Equitable EV charging infrastructure incentives	Transportation	Existing	29%
Equity-driven decision making	Community-wide	Existing	27%
Low-income renewable energy incentive and financing programs	Infrastructure	Existing	25%
Equity-driven approach to shared, distributed energy systems	Infrastructure	Existing	25%
Low-income access to high-quality transit	Transportation	Existing	20%
Creation of resilience hubs	Community-wide	New	19%
Inclusive procurement and contracting implementation	Local Government	Revised	17%
Equitable efficient vehicle purchase incentives	Transportation	Existing	15%
Equitable EV infrastructure deployment (bonus)	Transportation	Existing	15%
Workforce development programs for disadvantaged workers	Community-wide	Revised	13%
Tracking equity outcomes for non- targeted programs	Buildings	New	11%
Equitable electrification programs	Buildings	New	9%
Workforce development program outcome tracking	Community-wide	New	8%

Metric	Chapter	New or revised metric	Share of cities earning credit
Low-income energy incentive and financing program best practices	Buildings	New	7%
Affordability requirements in energy incentive and financing programs	Buildings	Existing	7%
Residential rental energy disclosure policy	Buildings	Existing	7%
Equitable electric school bus goal	Transportation	New	7%
Building performance standard support for affordable housing	Buildings	Existing	5%
Building performance standard support for underserved commercial	Buildings	New	1%
Equitable congestion pricing (bonus)	Transportation	New	1%
Equitable utility clean energy partnerships	Infrastructure	Revised	0%

^{*} Indicates an action primarily undertaken by a local utility