

Energy Affordability & Accessibility Collaborative Definitions Subcommittee

April 20, 2022

1:45 – 2:30 PM



Michigan Public Service Commission

Agenda

2



Reminder of our charge



MPSC Sponsored
Listening Sessions



Applying Survey Results
to Our Definition



Next Steps

Reminder of Our Charge

3

Establish

- Establish common definition of energy security/self-sufficiency – begin with proposed definition by MEAP Workgroup Subcommittee 2.

Develop

- Develop proposal for an energy affordability standard and how the standard can be integrated into the regulatory environment.

Draft

- Draft suggested requirements for consistent energy affordability-related information for utilities to submit to appropriate dockets: rate cases, IRPs, EWR cases.



PURPOSE



MEMBERSHIP



MEETINGS

Announcement
Low-Income Energy Policy Board

Announcement Agency Fairs with Listening Sessions

Apply for assistance

Listening sessions

- What energy affordability means
- What uses of energy are important to folks
- To what extent are disconnections a problem
- What works well or doesn't with assistance programs
- How to best connect with customers
- What participants want MPSC to know

Contact with listening session suggestions:

- WilkinsM3@Michigan.gov

Announcement Agency Fairs with Listening Sessions

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Locations

- Gaylord - April 18
- Benton Harbor- Mid-May, Details TBD

Volunteers welcome!

- Welcome table
- Registration table
- Refill/restock food table
- Set up/clean up

Contact to volunteer:

- RittenhouseA@michigan.gov

Applying Survey Results to Our Definition



Michigan Public Service Commission

Definition Options

Energy is Affordable if...

A household's home energy needs for heating, cooling and other uses (6/6) are being met (3/5) in a healthy, sustainable (4/6) and energy efficient manner (4/6) (no reference to cost 3/6).

A household's home energy needs for heating, cooling and other uses are being met in a healthy, sustainable and energy efficient manner without compromising a household's ability to meet other basic needs (2/6).

A household's home energy needs for heating, cooling and other uses are being met in a healthy, sustainable and energy efficient manner with cost efficient pricing (1/6).

Q1: In thinking about how much energy costs, what is the best way to describe “having a cost that is not too high?”
Choose the option you like best.

Energy is affordable when I can pay my bill on time

Energy is affordable when paying my bill doesn't impact my ability to meet other basic needs

Energy is affordable when I get assistance to pay my bill

Energy is affordable when I can keep my service connected

Energy is affordable when I receive good value for the money I spend on my energy bills

Energy is affordable when I can pay bills for things I really need and have a small amount for things I want

Energy is affordable when I have better control over how much I use

Other (please specify)

- ▶ Energy is affordable when paying my bill doesn't impact my ability to meet other basic needs
 - ▶ 54% of agency/applicant responses
 - ▶ 75% of utility responses
 - ▶ 45% of member organization responses

Having a
Cost that is
Not Too High

Definition Options

Energy is Affordable if...

- ▶ A household's home energy needs for heating, cooling and other uses (6/6) are being met (3/5) in a healthy, sustainable (4/6) and energy efficient manner (4/6) (no reference to cost 3/6).
- ▶ A household's home energy needs for heating, cooling and other uses are being met in a healthy, sustainable and energy efficient manner **without compromising a household's ability to meet other basic needs (2/6)**.
- ▶ A household's home energy needs for heating, cooling and other uses are being met in a healthy, sustainable and energy efficient manner with cost efficient pricing (1/6).

Energy Efficiency

Q2: Would you agree that having a home that is energy efficient can help with energy affordability?

Agencies – 96%
Yes

Utilities – 100% Yes

Advocates – 100%
Yes



Drafted definition: A household's home energy needs for heating, cooling and other uses are being met in a healthy, sustainable and **energy efficient manner** without compromising a household's ability to meet other basic needs.

Q3: Which of the following things do you think helps with making utility bills more affordable for households? Please rank them with #1 having the greatest impact.

Having kitchen and laundry appliances that are energy efficient

Having good insulation in the roof and walls

Dialing down the thermostat during the winter or up during the summer

Having energy efficient windows and/or window coverings

Being careful in how to use heat, lights and electronic devices, and appliances

Having a good high efficiency furnace







- ▶ Q4: Do you think that a discussion of energy affordability should include health and wellness?
 - ▶ Agencies: 80% Yes
 - ▶ Utilities: 57% No
 - ▶ Advocates: 97% Yes
 - ▶ Combined Total: 80% Yes

- ▶ Drafted definition: A household's home energy needs for heating, cooling and other uses are being met in a **healthy**, sustainable and energy efficient manner without compromising a household's ability to meet other basic needs.



Q5: Which of the following energy uses are important to make affordable? Choose all that apply.

	Agencies	Utilities	Advocates
Using energy or power for health needs. Examples include ventilation, cooling, running medical equipment, virtual medical appointments, etc.	73%	75%	91%
Using energy safely. Examples include avoiding things like cold drafts, carbon monoxide from damaged furnaces, faulty wiring, etc.	80%	81%	94%
Keeping a home at a reasonable temperature to stay healthy	73%	75%	82%
Keeping the temperature comfortable in a home	53%	 31%	52%
Using energy in my home in a way that is safe for the environment	51%	 25%	82%
Using energy without fear or anxiety about energy being disconnected or running out of home heating fuel	78%	 41%	82%
Using energy for things that keep a family well. Examples include virtual schooling, communication, exercise equipment, and entertainment	54%	 31%	70%
None of the above	1%	0%	0%

Using Energy in a Sustainable Manner

- ▶ Q6: What does it mean to you to use energy in a sustainable manner?
 - ▶ Choose all that apply.

	Agencies		Utilities		Advocates	
That I am using energy in a way that is safe for the environment	★	56%		50%	★	91%
That my energy supply will not be shut off		41%		19%		44%
That I am not using fossil fuels		21%		13%	★	66%
That I will continue to be able to afford my energy	★	62%		13%	★	63%
When I operate appliances and lighting in my home, I take care to avoid wasting energy	★	69%	★	94%	★	72%
When I make appliance purchases, I choose the most efficient model to help save energy in my home. Examples include washer, dryer, furnace, air conditioning unit, stove, refrigerator, etc.	★	61%	★	63%	★	66%

Using Energy in a Sustainable Manner

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- ▶ Drafted Definition: A household's home energy needs for heating, cooling and other uses are being met in a healthy, **sustainable** and energy efficient manner without compromising a household's ability to meet other basic needs.
 - ▶ Environmentally
 - ▶ Financially

sus·tain·a·ble (*adjective*)

1. **sustainable** able to be maintained at a certain rate or level: "sustainable fusion reactions"
 - ▶ *synonyms*: acceptable · trustworthy · reliable · dependable · sure · good · valid · feasible · viable · tenable · maintainable
 - ▶ *antonyms*: untrustworthy
 - ▶ conserving an ecological balance by avoiding depletion of natural resources: "our fundamental commitment to sustainable development"
2. able to be upheld or defended: "sustainable definitions of good educational practice"
 - ▶ *synonyms*: valid · legitimate · warranted · well founded · justified · just · sound · reasonable · sensible · defensible · arguable · tenable · able to hold water · defendable · supportable · warrantable · vindicable · acceptable · plausible · lawful · legal · explainable · understandable · forgivable · venial
 - ▶ *antonyms*: unjustifiable · indefensible

Q 7: When considering home energy for heating, cooling, and other uses, *which phrase* do you think best describes energy as "able to be afforded?"

- ▶ My household's home energy needs are being met

- ▶ My household has the resources to meet their home energy needs
 - ▶ Assistance Agency Respondents – 57%
 - ▶ Utilities - 63%
 - ▶ Advocacy & Member Organizations - 55%





Drafted definition

A household's home energy needs for heating, cooling and other uses are being met in a healthy, *sustainable* and energy efficient manner without compromising a household's ability to meet other basic needs.



Modified definition

A household **has the resources to meet** their home energy needs for heating, cooling and other uses in a healthy, *sustainable* and energy efficient manner without compromising a household's ability to meet other basic needs.

Energy Affordability Defined

A household has the resources to meet their home energy needs for heating, cooling and other uses in a healthy, **sustainable** and energy efficient manner without compromising a household's ability to meet other basic needs.



Discussion

Next Steps

1

Recommend a definition of Energy Affordability.

2

Develop a companion document and recommend definition to the Low-Income Energy Policy Board

3

Develop a proposal for an energy affordability standard

4

Determine how the standard can be integrated into the regulatory environment.



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