

# Energy Affordability & Accessibility Collaborative

Definitions  
Subcommittee

**Wende Randall**

**Mary Wilkins**

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# AGENDA



## Reminder of Our Charge



## Consider Charge

Discuss options for  
moving forward with  
Parts 2 & 3



## Next Steps

## >> **Reminder of Our Charge**

### **01 Establish**

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

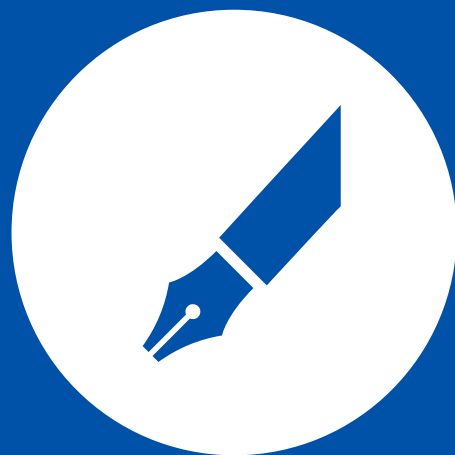
### **02 Develop**

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

### **03 Draft**

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





# Definition

# Charge 1: Definition of Energy Affordability

*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.*

# Charge 2: Develop - Considerations

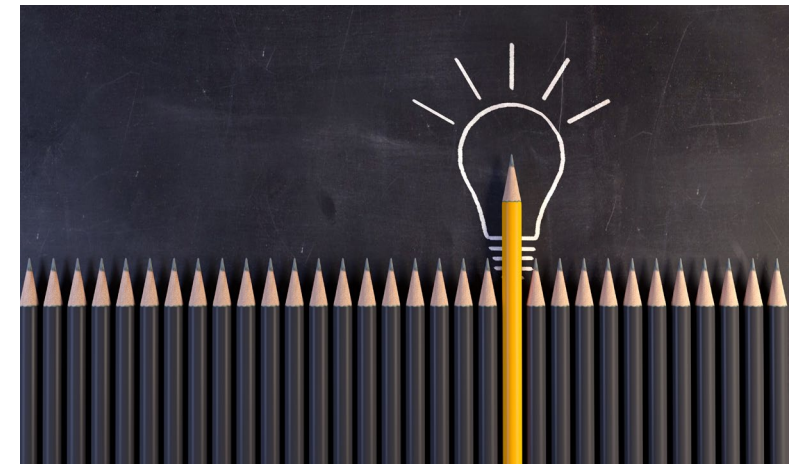
Develop proposal for an energy affordability standard and how the standard can be integrated into the regulatory environment.

- Considerations:
  - The consensus definition reflects the complexity of the concept of energy affordability.
  - The complexity does not allow for a single metric such as energy burden as has been used in the past.
  - Where does equity fit in?

# Charge 2: Develop - Measuring

## ■ Measuring Energy Affordability

- What do we measure against when assessing energy affordability per the definition?
- Elements of affordability
  - Energy burden: utility bill/income
  - Shut off incidence
  - Arrearage numbers
  - Consumption – is there a way to proxy reasonable temps to reflect relative health
  - Percentage of on-time bill
  - Reliability





# Charge 2: Develop - Strategy

## ■ Proposed Strategy

- Develop straw proposal for energy affordability standard for subcommittee review
- Broaden subcommittee leadership and add additional expertise to reflect complexity of energy affordability:
  - Review literature and assess other states' metrics on affordability
  - Review proposal on energy affordability standard
  - Make recommendation for LIEP Board and Commission



**DISCUSSION**

# Charge 3: Draft

- Draft suggested requirements for consistent energy affordability-related information for utilities to submit to appropriate dockets: rate cases, IRPs, EWR cases.
- Considerations
  - U-18238 asked EAAC/DARR to explore how to best collect & share customer demographic and equity data with the public such that it:
    - provides uniformity
    - allows for analysis that can enhance the public welfare
    - is not dependent on the timeline or cadence by which a utility intends to file a rate case before the Commission
    - This can include information desired in IRP and EWR cases

# Charge 3: Strategy

## Strategy:

- In collaboration with the Commission's DEI Policy and Regulatory Committee and MPSC Staff:
  - Develop list of appropriate cases where affordability and equity should be addressed
  - Develop set of common criteria that could be considered to reflect adverse impacts on low-income, vulnerable and historically marginalized communities
  - Provide overview and list for Commission review and give guidance



**DISCUSSION**

## Next Steps

- ❑ Possible
  - ❑ Identify Leadership and experts
  - ❑ Begin foundational work January 2023
  - ❑ Draft workplan around strategy

