



20 N. Wacker Drive, Suite 1301
Chicago, Illinois 60606
312.587.8390 Main Line
312.587.8391 Fax
www.mwalliance.org

July 8, 2024

Public Service Commission of Wisconsin
4822 Madison Yards Way
P.O. Box 7854
Madison, WI 53707-7854

RE: Midwest Energy Efficiency Alliance (MEEA) Comments on Focus on Energy Quadrennial Planning Process IV – Underserved Customers (Docket 5-FE-104)

Introduction

Thank you for the opportunity to submit comments in response to the fourth Quadrennial Planning Process for the Focus on Energy Program. The Midwest Energy Efficiency Alliance (MEEA) is a collaborative network, promoting energy efficiency to optimize energy generation, reduce consumption, create jobs and decrease carbon emissions in all Midwest communities. MEEA seeks an achievable pathway for all people and communities in the Midwest to receive the economic, environmental and societal benefits of energy efficiency.

We see energy efficiency as the least cost foundation of the clean energy economy, creating immediate energy savings, providing career pathways, reducing emissions, improving new and existing buildings and boosting Midwest businesses and industries. MEEA serves as a technical resource, promoting program and policy best practices and highlighting emerging technologies, all to maximize energy savings, reduce costs, improve resiliency and lower energy burden. As a nonpartisan nonprofit organization, we are recognized in the policymaking process and are frequently relied upon as an expert resource, weighing in on proposed policies and helping explain the benefits of embracing energy efficiency. MEEA has a long history of engaging in Wisconsin Public Service Commission (PSC) dockets and regulatory planning processes, and we have commented on several staff memos on the Quadrennial Plan Process IV.

In summary, these comments support the Commission and Staff's efforts to consider how to better identify and reach underserved communities. With that in mind, MEEA supports the following alternatives presented by PSC Staff:

- **Framework Used to Analyze Underserved** – *Alternative One, along with Sub-Alternative A*
- **Underserved KPIs** – *Either Alternative One or Two and Alternative Four*

Commission Alternatives on Framework Used to Analyze Underserved

MEEA appreciates the consideration that Focus on Energy, APTIM and VEIC have put into this analysis of finding and reaching underserved households. In many states it can be a challenge for advocates, regulators and utilities to agree on which customers



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should be prioritized with energy efficiency programming. The categories defined by this analysis - high percentage of renters; high percentage of Black, Indigenous and People of Color (BIPOC); high percentage of limited English-speaking populations; high percentage of those with limited internet access; and a high score on the social vulnerability index (SVI) - resonate with us as an inclusive and thorough list of customer types that have historically been underserved by energy efficiency programming. While we acknowledge that rural populations need targeted outreach and program delivery strategies, Focus has routinely overperformed in serving this demographic. MEEA understands why this historical success has led to not specifically emphasizing this demographic in this Quad's *Communities of Focus* indicators.

MEEA has long been an organizational member of the Energy Efficiency For All coalition, which works to ensure low- to moderate-income renters can access energy efficiency programming. While this work has made progress over the last several years, we appreciate the specific call out for these demographics as renters—especially those who are in majority BIPOC Census tracts, are income constrained and are energy burdened—have historically been severely underreached by efficiency programming. The 'split incentive' phenomenon can be a barrier, as there often is a divide between landlords and tenants on who pays for and who benefits from an energy efficiency upgrade. MEEA supports including renters as a dedicated demographic category in the *Communities of Focus*.

The differences between those who are considered served versus underserved in Table 2 demonstrates the scale of the challenge for program administrators. Due to a variety of factors, Focus offerings have ended up being accessed predominantly by those who are not considered underserved. While the gaps displayed here are stark, it does demonstrate that Focus is on the right track in understanding the correct information and demographic tracking to better serve Wisconsin communities equitably.

For these reasons, we select Alternative One, as we endorse the categories laid out in the *Communities of Focus*. We also support Sub-Alternative A, as the additional metrics identified could contribute to more accurate and meaningful program targeting. MEEA appreciates the additional factors outlined by program administrators, and any or all of the five have merit for potential inclusion.

Commission Alternatives - Underserved KPIs

As the previous section on *Communities of Focus* highlighted, the 25% of Wisconsinites that are classified as categorically disadvantaged have seen about 20% of Focus



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activity (participation, incentives and savings). We are pleased that program administrators want to do more to better serve these priority populations and believe many of the described key performance indicators (KPIs) are logical steps toward improving the outreach and uptake of Focus programs.

Per the analysis in Table 1, Focus on Energy has historically overperformed in its efforts to reach rural households with Focus programming. This demonstrates that concerted efforts on outreach and engagement, in addition to diverse programming that can appeal to specific customers, can be successful. MEEA is confident that Focus and its administrators can be successful in reaching customers in these demographics.

When considering specific KPIs, it is useful to divide these alternatives into the energy-related KPIs (Alternatives One and Two) versus the non-energy KPIs (Alternatives Three, Four and Five), especially when program administrators caution against selecting competing KPIs that can make attribution for each KPI challenging.

Both Alternatives One and Two have merit and provide clear and attainable goals for program administrators to reach. MEEA is neutral: regardless of if the Commission designs a KPI around energy saved or projects implemented, both will result in reaching additional customers within the *Communities of Focus* targeted demographics. MEEA defers to the Commission and program administrators on which KPI is best for incentivizing the desired outcomes.

On the non-energy KPIs, MEEA supports Alternative Four. Once again, all three non-energy KPIs would likely help program administrators see positive results in improving program uptake within targeted areas of the state. We strongly encourage the Commission to select one of these non-energy alternatives in addition to either Alternative One or Two, as these non-energy KPIs will help program administrators work directly with the community to build trust and deepen relationships that ideally will be mutually beneficial beyond this current Quad Plan. This work is challenging, but we support the addition of a KPI around these efforts to further incentivize program administrators to dedicate the time and resources to this work, which can at times be deprioritized with incentives only structured around energy savings.

MEEA is selecting Alternative Four because we feel it would be more constructive for both the community and program administrators to focus their efforts on quality over quantity. Alternatives Three and Five would likely be successful in increasing program uptake in the desired *Communities of Focus*, but these efforts would likely not significantly change communities' views of the program or build long term trust. MEEA endorses Alternative Four for program administrators to work deeply with a more limited



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number of community-based organizations (CBOs). It does not do any good for this CBO outreach to be quick and transactional. Rather, it will benefit Focus if both program administrators and the CBOs take the time to form genuine relationships that lead to trust. This is more likely to be achieved with Alternative Four as opposed to Alternatives Three or Five.

In addition, MEEA supports Alternative Four as the memo states this option would include financial payments to this smaller group of CBOs. This is the right thing to do, as program administrators would benefit from the expertise of these groups, who should be compensated for their time and effort. While three CBOs is a small number, hopefully program administrators would see this intensive one-on-one outreach lead to positive outcomes, and the process can then be expanded in Quad V. Importantly, with home energy rebate programs coming, this individual outreach can foster strong relationships which could be deployed to get the word out on those programs, too. Alternative Four seems like the strongest option to MEEA.

Conclusion

We sincerely commend the program administrators for their thoughtful approach to these complicated matters. While MEEA does have stances on these topics, we ultimately are here to help Wisconsin and its program administrators in their efforts to improve programmatic infrastructure for the Focus on Energy program in Quad IV and beyond. Ensuring Focus programs are delivered equitably is incredibly important, especially since federal home energy rebates will be delivered through these same channels. Moving forward with the *Communities of Focus* framework and the ensuing KPIs will ensure all Wisconsinites have equitable access to energy saving programs. If you have questions on these comments or want additional information, please contact Maddie Wazowicz, Policy Director, at mwazowicz@mwalliance.org. Thank you for your consideration.

Sincerely,

Paige Knutson, Executive Director

These comments reflect the views of the Midwest Energy Efficiency Alliance – a Regional Energy Efficiency Organization as designated by the U.S. Department of Energy – and not the organization's members or individual entities represented on our board of directors.