

21 Oak Street • Suite 202 Hartford, CT 06106-8015 860.246.7121 • acadiacenter.org

August 8, 2023

Katie Dykes, Commissioner Department of Energy and Environmental Protection 79 Elm Street Hartford, CT 06106

Re: Zero Carbon Draft RFP Comments

Dear Commissioner Dykes,

Acadia Center commends the Department of Energy and Environmental Protection ("DEEP") for issuing the draft Request for Proposals ("RFP") on Zero Carbon Energy. Notably, the prioritization of Energy Efficiency/Demand Response as eligible technologies included in instant procurements is greatly appreciated. The Northeast is a national leader in prioritizing energy efficiency. Efficiency programs in the Northeast make the highest per capita investments and achieve the country's most ambitious energy savings goals. Energy efficiency is an invaluable resource for our electric grid. In fact, over 14% of New England's electricity mix comes from energy efficiency. Millions of homes and businesses have received efficiency services, improving comfort and indoor air quality, reducing consumer energy bills, and avoiding billions of dollars in more expensive infrastructure. This draft RFP is an opportunity to build from this strong platform and refocus energy efficiency programs so that they:

- 1) directly improve poorer quality housing that disproportionately burdens lower income residents and communities of color;
- 2) embrace clean electrification technologies for heating and cooling;
- 3) and do more to attain ambitious reductions in greenhouse gases and local air pollution.

Efficiency programs must address three critical challenges while sustaining their role as the first fuel of choice for our energy system: improving housing quality, reducing climate pollution, and embracing electrification. <u>Acadia Center's Next Generation Energy Efficiency</u> initiative addresses these challenges through a new approach to energy efficiency – one that continues to value saving energy as a core consumer and energy system resource, but is also centered around meeting climate, environmental justice, and electrification goals.

Next Generation Energy Efficiency is the next major phase for energy efficiency in the Northeast that prioritizes quality housing improvements in underserved communities, embraces climate mitigation, shifts to whole-house electrification, and continues to grow efficiency as a regional energy resource. Below Acadia Center outlines strategic priorities and action steps to address the four components of Next Generation Energy Efficiency. We urge DEEP to adopt these principles.

Prioritize Housing Quality Improvements

Energy Efficiency must be at the center of addressing the region's old housing stock. The most underserved populations, including low and moderate income, renters, and non-English speaking, tend to live in poorer quality housing with pre-weatherization barriers such as mold or asbestos or absentee landlords, preventing them from being treated by energy efficiency programs. These communities are most affected by long-standing environmental justice

issues, and the buildings they inhabit damage their health and waste money. To ensure that all communities reap the benefits of efficiency programs, existing benefit-cost methodologies, which determine how efficiency programs are implemented, must incorporate climate, equity, and health benefits from building retrofits.

Ensure Alignment with Climate Mitigation

Every kilowatt-hour of electricity that does not need to be produced because of energy efficiency means less fossil fuel use. Efficiency programs can achieve deeper emissions savings if they are refocused with greater emphasis on climate mitigation. This includes:

- Updating efficiency statues and regulations, including the way programs are screened through benefit-cost tests, to emphasize reductions in emissions in addition to energy savings
- Considering climate and health impacts when evaluating efficiency programs
- Ensuring that laws, regulations, and planning processes support efforts to transition from fossil fuels to clean electrification

Embrace Clean Heating and Whole-House Electrification

When deployed together, energy efficiency and electrification can deliver greater emissions reductions while improving indoor air quality. Acadia Center supports avenues for clean heating, as well as for changes in how programs are administered to ensure co-delivery of building upgrades that are currently delivered in silos. Acadia Center also emphasizes the value of electrification, flexible demand, and electrification retrofit pathways in efficiency programs and urges DEEP to continue to do so.

Sustain Investments in Efficiency as the Leading Energy Resource

Expanding efficiency investment levels and energy savings goals will ensure deeper savings and benefits for all. As one of the fundamental components of meeting state emissions targets, efficiency efforts must be improved. The value and necessity of efficiency spurs large savings in public health and economic benefits.

Acadia Center suggests the adoption of the four Next Generation Energy Efficiency components when considering proposals to the Zero Carbon Energy RFP. Thank you for the opportunity to provide these comments. If you have any questions or concerns, please do not hesitate to reach out.

Sincerely,

Jayson Velazquez Climate and Energy Justice Policy Associate jvelazquez@acadiacenter.org 860.246.7121 ext.203