

Hand-in-Hand:

Environmental and Social Justice Communities and Codes & Standards

DOE National Codes Conference

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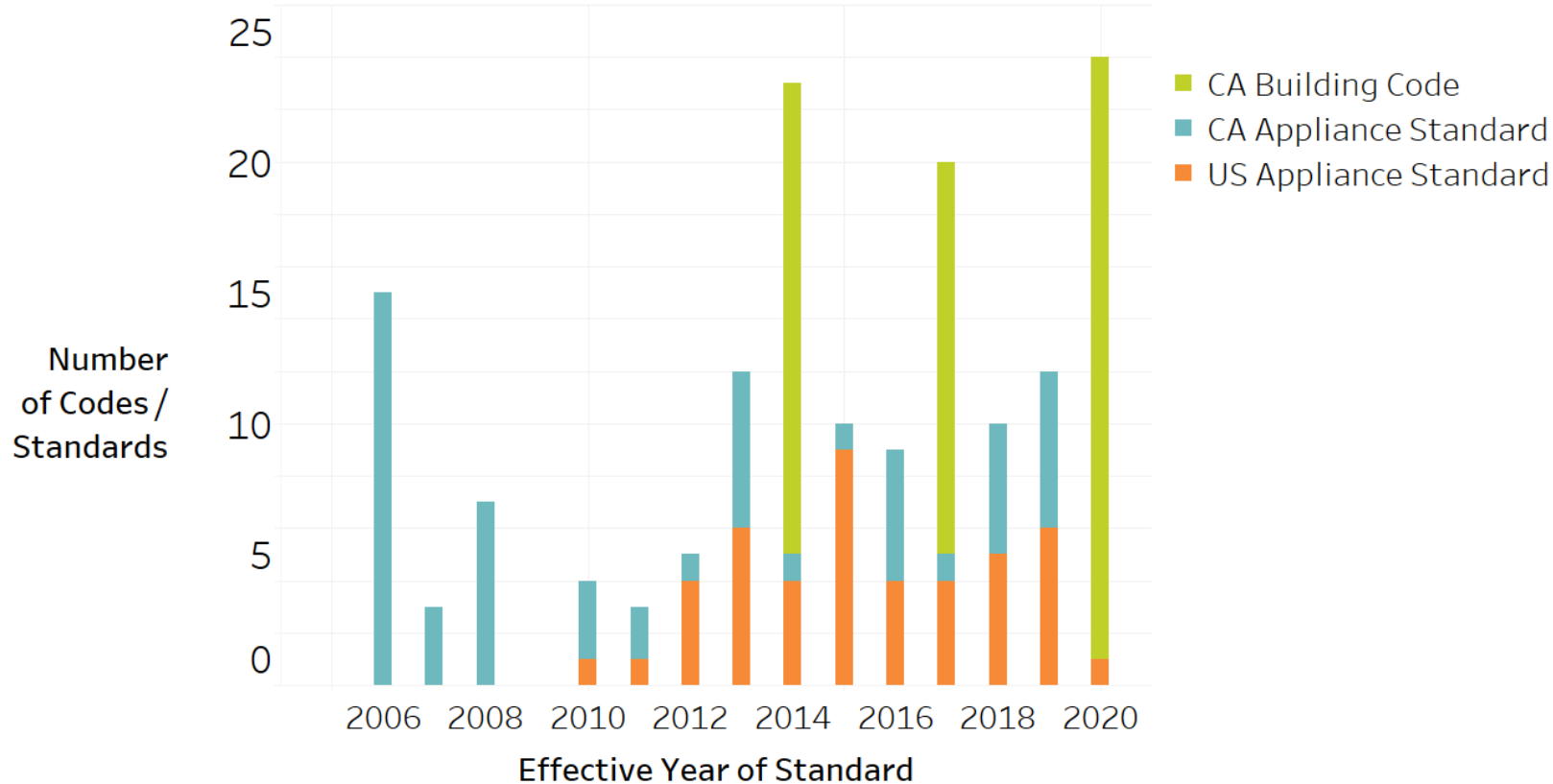
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About Energy Solutions

Our Mission: Create large-scale energy and environmental impacts by leveraging market-based solutions.

Codes and Standards Energy Solutions Contributed to (2004-2019)



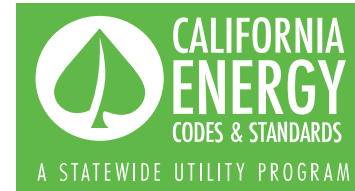
Statewide Utility Codes and Standards Team

Actively supports the California Energy Commission in developing proposed changes to the California Energy Code (Title 24, Part 6)

Intent is to achieve significant energy savings through the development of code change proposals for the 2022 code update, and beyond



Roles in California Energy Code Development Process



California Energy Commission

- Establish scope of code cycle
- Administer public rulemaking process
- Consider (and approve) code change proposals
- Develop code change proposals
- Maintain compliance software

Stakeholders

Participate in Energy Commission's rulemaking process:

- Develop code change proposals
- Support Energy Commission throughout rulemaking
- Provide data
- Offer feedback and suggest revisions

Objective:

Why aren't we reaching ESJ communities?

How can we do better?

Approach:

1. Review current code development process and best practices
2. Get input from organizations that represent ESJ interests
3. Create actionable path forward

California Codes Development

CALIFORNIA ADMINISTRATIVE PROCEDURE ACT



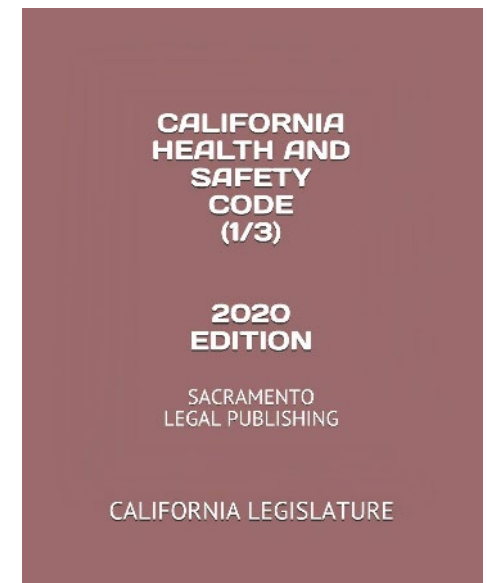
A compilation of statutes and regulations
affecting administrative adjudication in California

Statutes direct code development activities including:





- Impacts evaluation
- Public engagement

Statutes are insufficient for ESJ communities:

- No requirement to evaluate ESJ impacts
- No requirement to engage with ESJ communities
- Public process favors stakeholders with resources and expertise



Existing State Approaches

State Agency		 CalEPA California Environmental Protection Agency	California Public Utilities Commission 	 CALIFORNIA ENERGY COMMISSION
ESJ Action Plan	Yes (2001)	Yes (2004)	Yes (2019)	No
Advisory Group	Previously for AB-32 (disassembled)	No	Yes	Yes
Other		Tool to identify ESJ communities	Stated intent to prioritize energy equity	Stated intent to prioritize energy equity



Stakeholder Outreach

Outreach Goals

1. Identify appropriate organizations
2. Establish connections and begin relationships
3. Learn:
 - priorities
 - perspectives on building codes in relation to priorities
 - approach to participating in public processes
 - barriers to participating in energy code process

Interview Partners

Association for Energy Affordability

California Housing Partnership

Energy Efficiency for All

Healthy Building Research

National Center for Healthy Housing

National Resources Defense Council

Stone Energy Associate

The authors tried to contact but were unable to schedule meetings with: Building Performance Institute, Inc., Environmental Health Organization, and Greenlining Institute.

Key Findings from Outreach

- ✓ Building codes are not the highest priority topic for ESJ communities.
- ✓ ESJ organizations value non-energy benefits associated with high-performance buildings.
- ✓ No one individual or organization represents all perspectives.
- ✓ There is some coordination among organizations that represent ESJ interests.
- ✓ Organizations that represent ESJ communities tend to be resource-constrained.
- ✓ Affordable housing developers rely on multiple funding sources, many of which have their own energy and environmental criteria.

Recommendations from ESJ Outreach

- ✓ Place value on nonenergy benefits.
- ✓ Seek input from organizations that represent different perspectives.
- ✓ Seek input from people who live in ESJ communities.
- ✓ Community education and targeted outreach should be part of outreach strategy.
- ✓ Pay individuals or organizations for their contributions.
- ✓ Consider impacts on affordable housing developers.

Call to Action – What Can Utility Team Do?

1. **Cost Effectiveness:**
 - a. Report on cost impacts to people of all income levels
 - b. Report on cost effectiveness for affordable housing developers
2. **Benefits** - report on benefits to ESJ communities
3. **Improved communication with ESJ communities**
 - a. Invest in long-term relationships with organizations that represent ESJ communities
 - b. Pay ESJ organizations for their contributions
 - c. Support ESJ communities as they become informed
 - d. Leverage existing CEC and CPUC initiatives
4. **Improve collaboration with all entities that reference building code:**
 - a. Identify all programs that reference the California Energy Code.
 - b. Support these programs in adjusting their references so they remain relevant as code changes
5. **Measure and track progress**
 - a. Collect data on how code impacts all communities, including ESJ communities
 - b. Hold ourselves accountable for continuous improvement





Thank you

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California Codes Development

1. Review current code development process

Impacts Evaluation

Warren -Alquist Act

Building codes must be “cost-effective when taken in their entirety and when amortized over the economic life of the structure compared to historic practice.”

California Health and Safety Code

Code change must be justified relative to the **Nine Points Criteria**

California Administrative Procedures Act

State agencies must demonstrate they have considered impacts of proposed regulations including: benefits, costs, and economic impacts

Barrier to Effectively Considering Impacts on ESJ:

Statutes do not provide explicit direction to evaluate impacts on ESJ communities



Nine Points Criteria

1. The proposed building standards do not conflict with, overlap, or duplicate other building standards.
2. The proposed building standard is within the parameters established by enabling legislation and is not expressly within the exclusive jurisdiction of another agency.
3. **The public interest requires the adoption of the building standards.** The public interest includes, but is not limited to, health and safety, resource efficiency, fire safety, seismic safety, building and building system performance, and consistency with environmental, public health, and accessibility statutes and regulations.
4. The proposed building standard is not unreasonable, arbitrary, unfair, or capricious, in whole or in part.
5. **The cost to the public is reasonable, based on the overall benefit to be derived from the building standards.**
6. The proposed building standard is not unnecessarily ambiguous or vague, in whole or in part.
7. The applicable national specifications, published standards, and model codes have been incorporated therein as provided in this part, where appropriate.*(subsections omitted)*
8. The format of the proposed building standards is consistent with that adopted by the commission.
9. The proposed building standard, if it promotes fire and panic safety, as determined by the State Fire Marshal, has the written approval of the State Fire Marshal.

(California Health and Safety Code, Section 18930)



California Codes Development

Public Engagement

Warren Alquist Act

CEC is required to host public meetings:

“During these public meetings, the commission shall receive and take into consideration input from all parties concerning the parties' design recommendations, cost considerations, and other factors that would affect consumers and California businesses of the proposed standard.”

California Administrative Procedures Act & California Health and Safety Code

Requires public process leading up to adoption

Formal Rulemaking: 45-Day, 15-Day comment periods

1. Review current code development process

Barriers to Effectively Engaging ESJ Communities:

1. **Process favors stakeholders with resources and expertise**
2. **Statutes do not require engagement with ESJ communities**



Existing State and Local Approaches

California State Agencies

- **California Air Resources Board (CARB)**
 - *Policies and Actions for Environmental Justice* (2001)
 - Environmental Justice Advisory Committee – advised on AB32 Scoping Plan
- **California Environmental Protection Agency (CalEPA)**
 - *Inter-agency Environmental Justice Strategy* (2004)
 - *Environmental Justice Action Plan* (2004)
 - California Communities Environmental Health Screening Tool (CalEnviroScreen)
- **California Public Utilities Commission (CPUC)**
 - *Environmental and Social Justice Action Plan* (2019)
- **California Energy Commission & CPUC**
 - *2019 Integrated Energy Policy Report*
 - Disadvantaged Communities Advisory Group – advises on SB 350 implementation



California Environmental Justice Alliance evaluates state agencies' ESJ engagement [Environmental Justice Agency Assessment 2019](#)

Nine Goals of CPUC Environmental and Social Justice Action Plan

1. Consistently integrate equity and access considerations throughout CPUC proceedings and other efforts.
2. Increase investment in clean energy resources to benefit ESJ communities, especially to improve local air quality and public health.
3. Strive to improve access to high-quality water, communications, and transportation services for ESJ communities.
4. Increase climate resiliency in ESJ communities.
5. Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC's decision-making process and benefit from CPUC programs.
6. Enhance enforcement to ensure safety and consumer protection for ESJ communities.
7. Promote economic and workforce development opportunities in ESJ communities.
8. Improve training and staff development related to ESJ issues within the CPUC's jurisdiction.
9. Monitor the CPUC's ESJ efforts to evaluate how they are achieving their objectives.



Call to Action

- 1. Report on cost effectiveness for low-income households:** Expand existing cost effectiveness reporting to include an evaluation of the cost effectiveness of proposed changes to residential code requirements on low-income households. This analysis should consider and value non-energy benefits like improved health and reduced healthcare costs, and lengthen time horizons to account for the benefits of building codes for ESJ communities beyond the current 30-year period of analysis. This should also take discounted energy rates available to low-income households such as the California Alternate Rates for Energy.
- 2. Report on cost effectiveness for affordable housing developers:** Expand existing cost effectiveness reporting to include an evaluation of cost effectiveness of proposed code changes to affordable housing developers. This should include a catalogue of funding sources available to affordable housing developers and the energy metrics used to qualify for funding, considerations for deed restrictions, and impacts of discounted energy rates. Further study on the effects of the building code on displacement and gentrification is needed.
- 3. Report on benefits to ESJ communities.** This will require establishing metrics that capture benefits to ESJ communities, which should be done with participation from these communities. These should include financial metrics such as percent of income spent on utility bills, as well as impacts on health, quality of life, physical safety, and security. CPUC is developing a checklist to identify ESJ priorities for proceedings, and some localities evaluate ESJ impacts on building projects and zoning rules, which could be leveraged.

Call to Action

- 4. Coordinate with programs that reference building code.** There are multiple programs including incentive programs and building rating programs used in funding program eligibility criteria that reference building code. This initiative would map out all programs that reference the California Energy Code and initiate a dialogue with those programs to coordinate code updates with revisions to program eligibility requirements. Stakeholders specifically recommended alignment with the California Tax Credit Allocation Committee and the California Debt Limit Allocation Committee.
- 5. Invest in building relationships with organizations that represent ESJ communities.** Effective collaborations are built upon trust and strong relationships. Committing to building relationships will enable the Statewide CASE Team to have effective dialogues in the future. Choosing which ESJ community partners to engage should be done with intentionality so multiple viewpoints are heard. This might include contracting with one or more organizations during future code cycles so there is a mechanism for the Statewide CASE Team to pay organizations for their participation and contributions.
- 6. Provide materials to support informed participation.** Developing materials that describe the code development process, how building codes impact people, and how members of the public can participate in the process would help empower people who live in ESJ communities to provide meaningful feedback. Materials should both appeal to the ESJ communities and be distributed via trusted avenues and free, online platforms.



Call to Action

7. **Collaborate with CEC and CPUC staff** to leverage existing engagement initiatives.
8. **Collect data.** Ensuring that ESJ communities are adequately represented high-quality demographic data collection on energy and non-energy benefits across all communities will help inform advocacy and policy decisions and strengthen data-driven arguments for change.
9. **Measure and track progress.** As code changes take effect, it is important to understand the impact (whether beneficial or adverse) on ESJ communities. Measuring impacts and tracking results enables regulators to make progress in addressing energy equity gaps. As mentioned earlier, the CEC has established Energy Equity Indicators to help measure how well the state is improving access to clean energy technologies. Some of these indicators may also be useful to track impacts of building codes (CEC 2018).

<https://www.cpuc.ca.gov/lowincomerates/> <https://www.treasurer.ca.gov/ctcac/tax.asp> (TCAC); <https://www.treasurer.ca.gov/cdlac/> (CDLAC)

