



February 24, 2021

To the Chairs Sen. Needleman and Rep. Arconti, Ranking Members Sen. Formica and Rep. Ferraro, and members of the Energy & Technology Committee:

On behalf of Operation Fuel, thank you for the opportunity to testify in favor of [SB 856, An Act Increasing Representation on the Energy Conservation Management Board](#), commonly referred to as the “Energy Efficiency Board” or “EEB.” Operation Fuel’s Executive Director, Brenda Watson, joined the Energy Efficiency Board in 2020. We have worked closely with board leadership, members, contractors, state agencies, and other stakeholders to expand the representation of LMI communities in these rooms. We appreciate the agency’s and committee’s careful consideration of these important issues.

Operation Fuel ensures equitable access to energy for all by providing year-round energy assistance, promoting energy independence, and advocating for affordable energy. Operation Fuel partners with local government and community-based organizations throughout Connecticut to ensure that families and individuals in need have access to year-round utility and water assistance. Since 2015, our emergency assistance funds have received about \$2.1M annually from the ratepayer funded Systems Benefit Charge. We serve diverse Low- and Moderate-Income (LMI) households from every municipality in our state. The country’s first fuel bank, Operation Fuel was founded in the late 1970s to help struggling families heat their homes. Since then, we have added programs to address our clients’ cost burdens for electricity, gas, and water. Additionally, we offer assistance for home equipment repair/ replace, and homelessness intervention.

Operation Fuel’s core mission is to address our clients’ urgent needs for access to heat, light, and water. Additionally, we advocate for our clients in administrative, regulatory, and legislative arenas, sharing their lived experiences with policymakers who would not otherwise hear these stories. In 2017, [Operation Fuel commissioned a study](#) from economist Roger Colton; and [another from APPRISE](#); each describes excessive energy burden faced by LMI communities. In 2020 we collaborated with researchers at VEIC and the CT Green Bank to assess [housing, energy, and transportation burden in CT](#). As we and many of you understand, assistance funds alone – which are typically about \$80-90M annually – are no match for our annual affordability gap, which was about \$450M in 2020.

We support DEEP's and the legislature's efforts to increase representation in this group, who manage energy efficiency funds in the state. We understand from Eversource and DEEP's reporting that between 23-30% of Low- and Moderate-Income households who seek energy efficiency upgrades – which they have funded as ratepayers through their electricity bills – contain too many safety hazards for upgrades to be completed. We applaud the breadth of work that this committee, DEEP, the EEB, and other stakeholders have led to bring these challenges to light, and to collaboratively develop solutions to address them. To be sure, expanding representation on this board to better include and amplify the concerns of LMI residents who've been subsidizing these programs since their inception is essential.

While we appreciate the agency and the committee taking up this bill, we believe the current text requires further edits before passage. We are testifying to express recommendations that respond to the issues we have identified and that we collectively seek to address.

Currently, the legislation adds to the board “(10) low income residential customers; and (11) municipalities” (Line 16-17). Regarding the latter, we welcome the participation of towns and cities in energy efficiency efforts, and applaud the language addition. We also note that CT recognizes 169 municipalities, which complicates the proceedings of any work group – you as legislators understand this well! We suggest the committee more specifically outline the goals of inviting municipal participation. Energy burden for residents or towns, population size, income, and other factors may help structure cities' input to the board.

The existing statute enables “(9) residential customers” to participate on the board. However, none of the current board members represent “residential customers” as their mandate. As an organization that primarily serves LMI customers, we advocate that the EEB prioritize the needs of “low income residential customers.” However, we note that “low income residential customers” should not be excluded as a different category than “residential customers.” When the board considers any “residential customer” issues, they must prioritize – not disregard or segregate – LMI residents in this analysis. Additionally, we are doubtful that the textual addition alone of this group to the statute would do much to generate participation on the board. The legislation should articulate what specific knowledge bases are necessary for the members. To truly broaden the public education and program design work of the EEB, we should develop plans to educate the public on the work of the board; and we should compensate participating individuals, particularly those representing residential customers, for their time and expertise.

The statute currently includes nominees to the Energy Efficiency Board from such specific entities as “; (3) a state-wide 13 manufacturing association; (4) a chamber of commerce; (5) a state-wide 14 business association; (6) a state-wide retail organization; (7) a state-wide 15 farm association.” These segments demonstrate the value of expertise in specific rate payer

issues for the board's work. Given the known and growing issues with energy affordability in our state, and our broad consensus that energy efficiency is a component of the solution, we recommend that specific member groups who can help evaluate affordability challenges be included in the EEB statute. These include experts and/ or advocates in the public health, legal aid, and housing fields. We also believe the "resident" members should represent the perspectives of tenants and low income home owners.

At Operation Fuel, our direct experience and research demonstrate that access to energy can mean the difference between life and death. We've seen this play out tragically in Texas these past weeks. Here in CT, we also see that residents engage in unsafe behaviors when they lack energy and water in the home. These include using an oven or hot plate as heat; this past week we lost lives to carbon monoxide poisoning as people warmed up in their cars. The EEB needs health experts to help educate decision makers on these realities. Operation Fuel's buildings mitigation work on the Governor's Council on Climate Change (GC3) informs our view that housing is inextricably linked to our equity, affordability, and greenhouse gas emission reduction goals. Further, we know that energy burden is one of the leading causes of housing insecurity – utility shutoffs are a pretext for eviction. As such, a housing expert and advocate should be part of EEB decisions, and to educate members on how to tailor programs to the needs of LMI residents.

Equity begins with planning, and ends with the implementation and dissemination of programs and resources. While expanded representation on the EEB is a great start to better incorporating equity considerations for energy efficiency investments, we note that representation is the basic prerequisite for progress – not an end in itself. We appreciate the ongoing efforts of the agencies and legislature to examine the multitude of ways that our state can better serve our most vulnerable neighbors.

In summary, Operation Fuel appreciates the committee's consideration of SB 856. We support further detail in the language, including how municipalities will be invited to participate, and to better prioritize the needs of low income residential customers. Further, we urge the committee to add public health, housing, and legal aid advocates who represent vulnerable communities across our state. We appreciate our partners at DEEP for raising this legislation, and for the committee's careful consideration of our recommendations. As always, we are available to the committee for further discussion.

Thank you for your service to our state.

*Brenda Watson*

Brenda Watson, MA

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