

Low-Income Energy Efficiency Home Rehab Pilot

HOUSING, SAFETY AND COMMUNITY COMMITTEE
APRIL 3, 2023

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Today's Briefing

- ▶ **Share the opportunity to collaborate with Duke Energy to support high energy use, low-income households reduce electrical energy consumption and save on energy bills (address energy burden)**
- ▶ **Request Council allocate up to 1M in ARPA funds in support of this partnership**



FOCUS AREAS




- Buildings
- Transportation
- Energy Generation
- Workforce Development

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Background

- ▶ **CitySet Partnership.** The City of Charlotte and Duke Energy have a partnership to work towards a sustainable energy transition and to develop opportunities to partner towards that goal. Charlotte and Duke have been meeting with several work streams over the past year.
- ▶ **Integrated Resource Plan (2021).** "The City, Duke Energy, and North Carolina Utility Commission (NCUC) all have a collective responsibility to carefully examine how the decisions made in this venue will benefit and burden communities, particularly low income communities of color, that are already severely burdened."
- ▶ **Carbon Plan (2022)** "Energy efficiency (EE) and demand-side management (DSM) programs are not only highly effective and cost-competitive grid resources, but they can also tangibly benefit Charlotte residents by lowering customer energy bills and decreasing energy burden."

Pilot Program

- ▶ The NCUC ordered Duke Energy to develop, with energy efficiency and income qualified stakeholders, a pilot program that would help income qualified customers. A Pilot was filed by Duke Energy and approved by NCUC to invest approximately \$7.5 million to complete deep energy efficiency retrofits to low-income, high-energy customers at no cost to the customer
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- ▶ Currently, as many as 40% of homes are turned away from energy efficiency projects when there are rehabilitation/health & safety issues that need to first be addressed. These households stand the most to benefit from retrofits.
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- ▶ Duke requested entities that can partner to offer rehabilitation/health & safety funds.
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- ▶ Charlotte engaged with Duke early to be selected as a geography and to leverage rehabilitation/health & safety efforts and funds to maximize impact.

Charlotte as a Pilot Geography

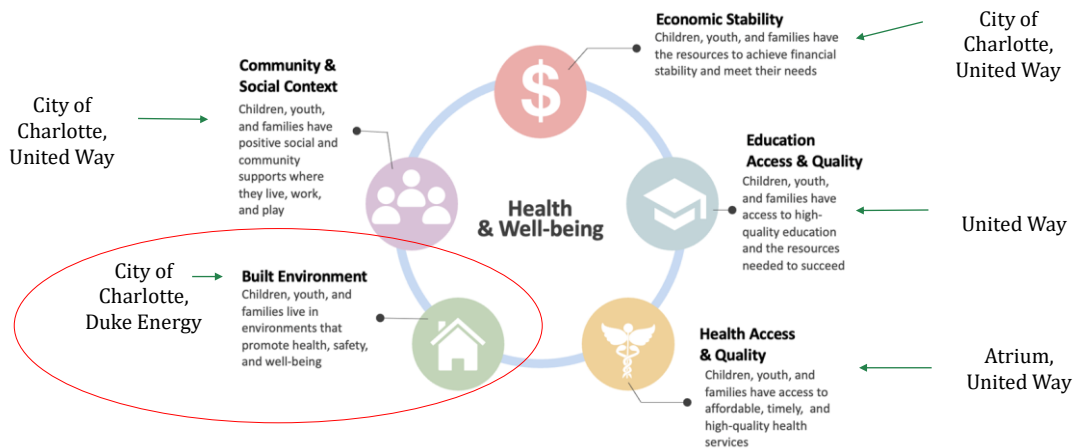


► Program will complete energy efficiency retrofits at no cost to income qualified, high energy-use (electricity) households for approximately 500 households in Charlotte, with a spend of approximately 4M. Measures could include:

- HVAC Replacement
- Comprehensive air sealing and duct sealing
- Insulation
- Heat pump water heater
- ENERGY STAR appliances

► Pair energy retrofits with health and safety repairs in Staying in Place and Corridor geographies as a priority, with additional work happening across Charlotte

Staying In Place Framework



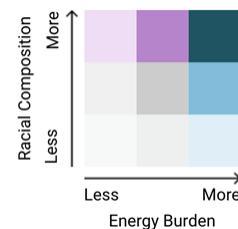
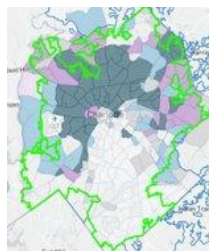
Two Partnership Workstreams

1. **Outreach and Connections:** Work with households that have previously participated in the city's rehabilitation program or are currently scheduled for rehabilitation to ensure they also take advantage of Duke's energy efficiency retrofits.
 2. **Funding Additional Health and Safety Work:** Duke Energy will recruit new income-qualified households that have high energy use for participation in their energy efficiency retrofit pilot program. When additional home rehabilitation is identified as needed before energy efficiency work can proceed, the city will provide the funds to Duke Energy to deliver necessary critical rehabilitation work at the same time.
- **Goal:** Benefitting households most in need by reducing energy use and reducing energy bills



Equitably Advancing SEAP

- While the average Charlotte energy burden is 3.5%, **the highest energy burden in Charlotte is 12.0%**
- **Black communities bear the brunt** of energy burden
- **Energy burden is also strongly correlated with negative health outcomes** like asthma, pulmonary diseases, and stroke



Recommendation / Request

- ▶ Allocate up to \$1M in ARPA Funds to complete additional rehabilitation/ health and safety work needed before energy retrofits can be completed

Questions