

# Evaluating Equity and Justice Impacts of Energy Efficiency Projects

Efficiency Vermont R&D Project: Justice

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## Executive Summary

Efficiency Vermont's equity strategy drives the organization to go beyond distributing program resources through an equality-centered approach towards equity-centered program design and implementation. An *equality*-centered approach seeks to provide the same level of support or resources to individuals, regardless of their circumstances. By contrast, an approach centered on *equity*, purposefully allocates resources and opportunities in a way that promotes equal outcomes.

Efficiency Vermont's process for advancing energy equity in programs begins with an organizational culture grounded in and aware of diversity, equity, and inclusion (DEI). The process proceeds through structured pathways for input and integrated program design, and program evaluations provide feedback to inform future iterations. The process combines Efficiency Vermont's four equity strategy objectives and elements from various energy equity frameworks.

This study supports Efficiency Vermont's efforts to develop more robust definitions of equity in energy efficiency and improved methods of measuring progress towards the organization's equity goals. The research seeks to develop tools and recommendations to build and improve upon existing equity efforts undertaken to remove participation barriers and design programs with the aim of equal outcomes.

The study team reviewed Efficiency Vermont's equity initiatives and industry-relevant frameworks for enhancing equity in program designs and evaluating equality in program results. In reviewing the equity frameworks, the team compiled a list of available metrics that can reflect the scope of equity within energy efficiency programs and program results, including metrics to quantify or capture the broader societal impact of energy efficiency programs. The study team examined this comprehensive list of metrics in light of the industry-established dimensions of equity—structural, procedural and distributional. Through the examination, the team identified gaps and opportunities for consolidation, and identified those metrics that could apply directly and realistically to energy efficiency programs as well as metrics reflecting internal and stakeholder interests not typically considered in the clean-energy industry. The team evaluated the metrics for applicability to the commercial and industrial (C&I) sector and to select C&I stakeholder groups—namely, whether the metrics applied to business owners, employees, or customers.

The team also investigated how these metrics align with the values of C&I customers and Efficiency Vermont's equity and energy efficiency goals through interviews with businesses, Regional Development Corporations (RDCs) and distribution utilities (DUs). The interviews reinforced that the value proposition and alignment of equity metrics is unique to each business. As such, the non-energy benefit information Efficiency Vermont seeks to collect and analyze may be different than the non-energy benefit information that is of interest to a specific business.

The team identified two primary ways that Efficiency Vermont can use equity metrics to optimize the delivery of C&I programs. First, in assessing a program's or project's non-energy benefits for the community through equity metrics, Efficiency Vermont can prioritize resources for C&I offerings that deliver more equitable outcomes. Second, in applying equity considerations to evaluating project performance, Efficiency Vermont can support businesses in aligning energy efficiency work to their business priorities beyond energy use.

The team offers the following recommendations for Efficiency Vermont to advance energy equity through C&I energy efficiency work:

1. Expand upon the number of C&I business interviews and interview data collection procedures
2. Further prioritize the equity metrics identified using a lens of (a) data availability vs. impact to determine which additional metrics can advance the organization's equity goals without consuming unnecessary resources and introducing avoidable complexity, and (b) balancing both Efficiency Vermont's goals as well as the unique priorities of each business (one size will not fit all)
3. Explore expanding the comprehensive support Efficiency Vermont provides to businesses

Going forward, Efficiency Vermont will optimize program design based on the learnings from this work, and on-going organizational efforts to develop, understand and implement equity metrics.

## Introduction

VEIC, the operator of Efficiency Vermont, has prioritized the advancement of equity—in all its forms—as a pathway for achieving energy justice and fostering thriving communities. Efficiency Vermont is implementing an equity strategy through several of its operating channels: programs and services, engagement with partners and stakeholders, advisory participation in public policy initiatives, and organizational culture.

[Efficiency Vermont's equity strategy](#) comprises four principal objectives:

1. Embed a core focus on diversity, equity, and inclusion (DEI) into all aspects of Efficiency Vermont's work to help Vermonters reduce their energy costs and burden
2. Leverage Efficiency Vermont resources to support and uplift historically disenfranchised businesses, partners, and communities
3. Actively engage in the broader state-level effort to advance equity through public policy, working collaboratively with regulators and efficiency utility partners to center energy justice in the community's collective work
4. Encourage all staff to participate in creating a work environment that values diverse viewpoints, cultures and lived experiences; and fosters compassionate, open, and honest dialogue while supporting continuous improvement

These objectives express an aspiration that Efficiency Vermont's work go beyond considerations of equality and demonstrate the organization's commitment to increasing equity. Equity recognizes [that although people live in different circumstances, they should receive the resources and opportunities sufficient to reach equal outcomes](#). VEIC and Efficiency Vermont believe that an equity-centric commitment offers a path toward justice.

An *equality*-centered approach seeks to provide the same level of support or resources to individuals, regardless of their circumstances. By contrast, an approach centered on *equity*, purposefully allocates resources and opportunities in a way that promotes equal outcomes. The focus on equal outcomes removes some barriers for historically underserved and marginalized populations and creates greater access. An approach centered on *justice* goes even further, dismantling the barriers and repairing systems in a way that leads to long-term, sustained equity. **Figure 1** illustrates the differences among these three concepts.



Figure 1. Equality favors many but continues to keep some from achieving equal and beneficial outcomes. Equity boosts everyone according to their needs, so that equal outcomes can be achieved. Justice sustainably removes the barriers for everyone. Source: [United Way of the National Capital Area](#).

An energy efficiency program designed with equity in mind anticipates barriers to participation, and designs mechanisms to overcome them. Examples of this type of approach include: providing translated program materials and interpretation services so that non-English speakers can access programs; offering additional financing opportunities to support low-income homeowners and microenterprises; and creating focused outreach and marketing efforts to reach underserved customers. For example, to overcome enrollment gaps between manufactured and traditional homes, the program outreach team could send a mailer to all manufactured home communities in the service territory and promote the program through direct outreach to cooperative manufactured home community boards or resident organizations.

For utilities implementing energy efficiency programs, it is more challenging to remove barriers (and thus achieve justice) than to adjust for them (and thus achieve equity). The primary reason for this is that programs benefiting vulnerable communities operate within larger social and economic systems. Barriers to program participation often extend beyond the realm of energy efficiency service delivery.

In practice, achieving justice through energy efficiency programs may be more aspirational than tangible. Nevertheless, Efficiency Vermont upholds the aspiration of achieving justice in its operations as an ongoing objective, supported by its achievable precursor, equity. Some energy efficiency utilities have successfully designed equity initiatives and are demonstrating that integrating equity requires a multifaceted approach and commitment to continual improvement. There is no established formula for success in incorporating equity into organizational operations. However, there are fundamental components that Efficiency Vermont uses to implement a sound process for equity integration in programs, as shown in Figure 2.

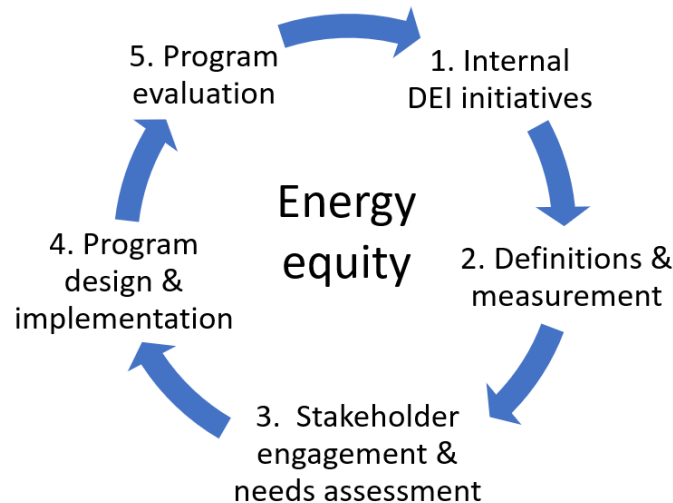


Figure 2. The Efficiency Vermont process of centering equity in energy efficiency programs begins with an organizational culture grounded in and aware of DEI. It proceeds through structured pathways for input and integrated program design. Program evaluations provide feedback to inform future iterations.

Efficiency Vermont’s process for incorporating equity into programs combines Efficiency Vermont’s four equity strategy objectives and elements from the energy equity frameworks of the [Greenlining Institute](#), [Empower Dataworks](#) and [E Source](#). Although Efficiency Vermont’s process for advancing energy equity in programs offers a phased approach, this work is not carried out in perfectly delineated stages. The phases of energy equity work are iterative and overlapping, and the collective process works as long as commitments to ongoing stakeholder engagement and continuous learning and improvement are in place.

The scope of this research project aligns directly with the second phase of Efficiency Vermont’s process for centering equity in energy efficiency, Definitions and Measurement. Through this study, Efficiency Vermont is identifying applicable equity metrics to measure progress toward equal outcomes resulting from its energy efficiency work.

As described in this report, the study team began with review of Efficiency Vermont’s equity initiatives and industry-relevant frameworks for enhancing equity in program designs and evaluating equality in program results. In reviewing the equity frameworks, the team examined available metrics that can reflect the scope of equity within energy efficiency programs and program results, including metrics to quantify or capture the broader societal impact of energy efficiency programs. Next, the team investigated how these metrics align with the values of commercial customers and energy efficiency goals. Based on the study findings, the team offers recommendations for Efficiency Vermont to continue this research and advance energy equity through energy efficiency.

## Efficiency Vermont’s Equity Evolution

Efficiency Vermont has traditionally measured its impact in terms of value to ratepayers. This involves screening efficiency measures for cost effectiveness and energy savings. For two

decades, Efficiency Vermont has demonstrated high levels of both cost savings to ratepayers and energy savings to the state and the grid.

One limitation of this approach, however, is that it overlooks—and results in under-service to—customers who do not use much energy, have little access to financing, and/or face barriers to program participation. Efficiency Vermont believes that achieving equity in service delivery is not just within the purview of Vermont statute, but fulfills the regulatory requirement to:

...ensure that all retail consumers, regardless of retail electricity, gas, or heating or process fuel provider, will have an opportunity to participate in and benefit from a comprehensive set of cost-effective energy efficiency programs and initiatives designed to overcome barriers to participation.

[30 V.S.A. Paragraph 209 \(f\)\(1\)](#)

Historically, Efficiency Vermont has addressed these regulatory requirements by considering the numbers and characteristics of customers served, their geographic locations, and the extent to which the efficiency utility has achieved minimum spending targets for residential customers, low-income populations, and small businesses. This approach and the resulting metrics show that Efficiency Vermont programs promote *equality* (equal treatment), but Efficiency Vermont has found that the current system falls short of fully measuring the *equity* (equal outcomes) impact of programs. For example, even though an initiative is available across the state, it may be more difficult for certain customers to access it because of customer-specific barriers related to income or wealth, language, time availability, and awareness of programs. Details of Efficiency Vermont's current equality and equity metrics can be found in **Appendix A**.

In recent years, Efficiency Vermont's equity objectives have prompted it to strive to advance equity in its operations. In 2021 and 2022, Efficiency Vermont incorporated language translation features into the website and Contact Center, and built trust with local partners to gather [equity-specific feedback for the 2024-2026 Demand Resources Plan](#).

In its residential programs, Efficiency Vermont's equity initiatives have centered on income-based programs and bonuses. These program features are informed by Efficiency Vermont's [comprehensive report on energy burden](#) across the State. Data from this report help determine eligibility criteria in program design to advance energy equity. For example, Efficiency Vermont designed the Zero Energy Modular program to overcome financial barriers among owners and buyers of manufactured homes and support those customers in long term affordability by enabling the purchase of a higher-quality and more energy efficient home.

Through participation in the [Vermont One Touch](#)<sup>®</sup> program, Efficiency Vermont coordinates with partner organizations who provide food assistance, economic services, health services, housing assistance, and energy bill assistance.<sup>1</sup> Further, Efficiency Vermont works with partners

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<sup>1</sup> Energy bill assistance delivered via the Low-Income Home Energy Assistance Program (LIHEAP) offered by the U.S. Department of Health and Human Services.



to simplify enrollment for income-eligible residential participants with streamlined qualification for multiple programs.

In Efficiency Vermont's commercial and industrial (C&I) portfolio, equity initiatives have centered incentives and bonuses for specific types of businesses. C&I programs cover a wide range of Vermont businesses<sup>2</sup>—manufacturing, construction, education, agriculture, municipal, commerce, retail, and services (for-profit services and social services provided by nonprofits). Efficiency Vermont also offers a bonus incentive for cannabis growers certified by the state as social equity growers<sup>3</sup> and has incorporated equity considerations into Indoor Air Quality program guidelines. Furthermore, Efficiency Vermont has developed partnerships with Regional Development Corporations (RDCs) to provide bonus incentives to businesses that were impacted by supply chain and labor issues resulting from the COVID-19 pandemic.

In addition to the C&I and residential programs, Efficiency Vermont offers a specific equity initiative to direct benefits to communities where energy burdens are high. Through the [Focused Communities](#) program Efficiency Vermont staff partner with community organizations while seeking to listen and respond to the needs of community members to co-design programs that overcome community-specific barriers to program participation. Through this program, custom incentives have supported nonprofits and provided bonus rebates for women- and minority-owned small businesses.

## Relevance of equity considerations to C&I work

While the existing C&I equity initiatives represent a commitment to equitable outcomes, there are opportunities to further expand energy equity within C&I programs to optimize the program results. Elevating program outcomes is important because the effect of C&I programs is broad within a community. Assessing the value of C&I sector work only in terms of energy savings and operational economics at the business level misses the more complex effects that business has on the community.

Businesses provide benefits to their owners and leaders,<sup>4</sup> and they also employ community members, spur economic activity, and deliver goods and services to the community. In this study, Efficiency Vermont evaluated these broader equity impacts of C&I energy efficiency programs through the perspectives of the business owners, the business employees, and the

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<sup>2</sup> *Business* throughout this paper refers to any organization or enterprising entity engaged in commercial, industrial, or professional activities whether those activities are for-profit, non-profit, or governmental.

<sup>3</sup> Vermont's Cannabis Control Board certifies Vermont residents as "social equity growers" if they meet at least one of the following criteria: 1) are Black or Hispanic, or 2) are from a community that has historically been disproportionately impacted by cannabis prohibition and are able to demonstrate that they were personally harmed by that impact, or 3) have been incarcerated for a cannabis related offense or have a family member who has been incarcerated for a cannabis related offense. More information here <https://ccb.vermont.gov/socialequity>.

<sup>4</sup> *Owners* throughout this paper refers to nonprofit leadership (managers or agents of affordable housing complexes, for example), for-profit business owners, and boards of directors and/or shareholders.

business customers. **Figure 3** provides one example of how an energy efficiency project can benefit the business and the business' community.

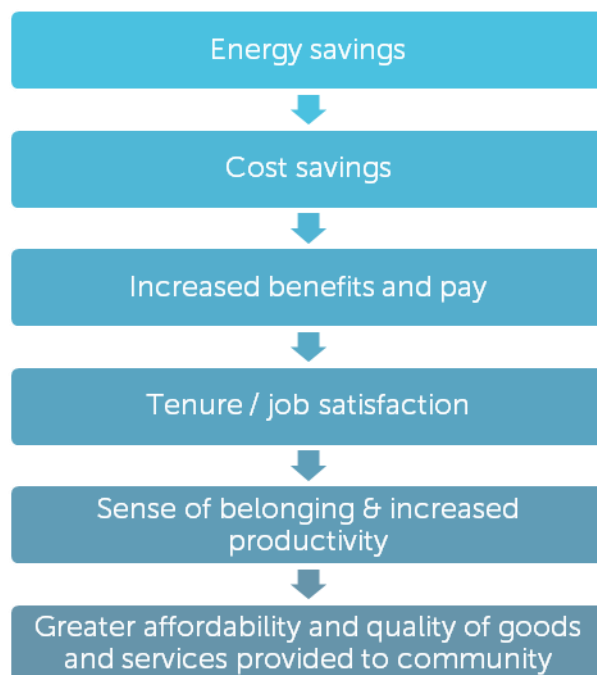


Figure 3. Example of benefits flow from energy savings in the C&I sector. Cost savings to the business, in turn, lead to increased benefits and pay, tenure / job satisfaction, and community benefits. Together, these outcomes create measurable equity impacts which can be attributed to energy efficiency investments.

By measuring the equity impact of C&I programs, Efficiency Vermont can ensure that programs and program features—such as the business-type based custom incentives, the bonus for social equity cannabis growers, the Indoor Air Quality program guidelines, and Focus Communities co-designed programs offering bonus incentives—advance equity. These expanded equity measurements differ from Efficiency Vermont’s traditional assessments of energy equity which focused on equitable distribution of resources. Instead of looking primarily at how services are delivered and the resulting energy savings, Efficiency Vermont can also account for a wider range of societal and economic outcomes.

### *Improving C&I programs with equity metrics*

There are two primary ways that Efficiency Vermont can use equity metrics to optimize the delivery of C&I programs.

First, in assessing a program’s or project’s non-energy impacts for the community through equity metrics, Efficiency Vermont can prioritize resources for C&I offerings that deliver higher equality outcomes over others that deliver lower equality outcomes. For example, Efficiency Vermont may choose to increase incentives for a project that benefits a vulnerable community

compared to a project with similar energy savings that has access to alternative funding resources and doesn't benefit a vulnerable community.<sup>5</sup>

Efficiency Vermont can count non-energy impacts by the number of jobs sustained or created as a result of energy efficiency services, or in terms of energy supply factors such as availability, reliability and affordability. By fully understanding and quantifying these factors Efficiency Vermont can ensure that C&I program funding and incentive levels align not only with energy use and demand goals, but also with supporting equitable outcomes when achieving those goals.

Second, in applying equity considerations to evaluating project performance, Efficiency Vermont can support businesses in aligning energy efficiency work to business priorities beyond the business' energy use. For many organizations, energy is typically not a top concern. By leading organizations in evaluating the non-energy benefits of proposed energy efficiency projects, Efficiency Vermont can support the business in identifying ways the project will meet the business' goals and support bottom-line accounting beyond the energy savings. In providing this level of project evaluation Efficiency Vermont can expand its role as a trusted advisor to the business. The business can rely on this trust when prioritizing among several capital improvement project options and deciding which project(s) align best with their business priorities.

## Identifying Equity Metrics

After reviewing Efficiency Vermont's existing program equity initiatives, the study team reviewed industry-relevant frameworks for enhancing equity in program designs and evaluating equality in program results. The team catalogued Efficiency Vermont's existing program metrics and pulled new metrics from energy and social justice research for measuring the equity effects of a project or program, resulting in a list of 172 metrics. The primary resources for the industry-relevant frameworks and new metrics were ACEEE's [Leading with Equity Initiative](#), Justice 40's [Initiative for Energy Justice](#) (IEJ) and the University of Michigan's [Energy Equity Project](#).

The study team examined the comprehensive list of metrics with partners and justice industry experts, and considered the metrics in light of the industry-established *dimensions of equity* (see the sidebar on the next page). Through the examination, the team identified gaps and

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<sup>5</sup> Note the mechanism described herein is distinct from the process by which Efficiency Vermont accounts for non-energy benefits in its societal cost-effectiveness screening tool. In accordance with the most-recent avoided cost proceeding (Case No. 21-2436-PET), Efficiency Vermont does not specifically quantify a measure or project's non-energy impacts on community economies and related equity outcomes when screening for societal cost effectiveness.

opportunities for consolidation, and identified those metrics that could apply directly and realistically to energy efficiency programs. Efficiency Vermont also added metrics reflecting internal and stakeholder interests not typically considered in the clean-energy industry, such as employee retention.

The final list of equity and justice metrics, **Appendix B**, characterizes each metric on its dimension of equity, its applicability to the C&I sector, and its applicability to select C&I stakeholder groups—namely, whether they applied to business owners, employees, or customers.

**Table 1** lists the questions Efficiency Vermont asks in applying equity considerations to program design, delivery, and evaluation. The study team used these questions in reviewing and expanding the final list of potential metrics.

### Dimensions of Equity

The [American Council for an Energy-Efficient Economy](#) (ACEEE) and the University of Michigan's [Energy Equity Project](#) (EEP) categorize *equity* four ways:

**Structural / recognition.** Institutionalizes accountability so that decisions recognize historical, cultural, and institutional dynamics and structures that have routinely advantaged privileged groups and resulted in chronic, cumulative disadvantage for subordinated groups.

**Procedural.** Embeds inclusive, accessible, authentic engagement and representation in organizational processes to develop and implement programs and policies.

**Distributional.** Ensures programs and policies result in fair distribution of benefits and burdens across all segments of a community, prioritizing highest need.

**Transgenerational / restorative.** Considers the impact of policies and programs on future generations, ensuring solutions create benefits for, and do not place unfair burdens on, future generations. (Note: this aspect of equity does not have its own metrics, and it is woven into the other three above.)

Evaluating the list of proposed metrics along these characterizations—or dimensions, as ACEEE and EEP refer to them—has enabled Efficiency Vermont to ensure the selected metrics set a path for comprehensively addressing equity in program design and delivery.

*Table 1. Dimensions of equity Efficiency Vermont could consider in commercial program design, delivery, and evaluation*

Dimension of equity	Commercial energy program design considerations
<b>Structural / recognition</b> answers “how do we define marginalized groups and prioritize target populations?”	<ul style="list-style-type: none"> <li>• Who are the business owners/decision makers, employees, and customers who have been or will be affected by the program?</li> <li>• What are the firmographics/demographics of those affected?</li> </ul>

Dimension of equity	Commercial energy program design considerations
<b>Procedural</b> addresses “which voices are represented at the decision-making table”?	<ul style="list-style-type: none"> <li>• Which stakeholders did Efficiency Vermont include/exclude from program design?</li> <li>• Does the program respond to business’ needs?</li> <li>• Does the business have trust in the program implementer(s)?</li> <li>• Which businesses are not eligible?</li> <li>• Of the eligible businesses, which ones are not participating in the program and why?</li> </ul>
<b>Distributional</b> explores “how the benefits and harms of the distributed?”	<ul style="list-style-type: none"> <li>• Which business owners/decision makers, employees, and customers benefit from program design?</li> <li>• Do benefits vary by <a href="#">firmographics</a>?</li> <li>• Are certain groups receiving more benefits or bearing more costs than others?</li> </ul>
<b>Transgenerational / restorative</b> answers “how does the program recognize past harm?”	<ul style="list-style-type: none"> <li>• What are the program’s past and future impacts with a recognition of the historical, cultural, and institutional dynamics that have led to unequal participation in energy efficiency programs?</li> <li>• Are there past actions or unintended consequences that the program would like to compensate for?</li> </ul>

## Stakeholder interviews

To further refine the final selection of equity metrics, Efficiency Vermont interviewed two of the state’s Regional Development Corporations (RDCs) and three distribution utilities (DUs) in September and October 2022. The interview questions can be found in **Appendix C**. The interviews sought insights into C&I business value propositions and solicited feedback from these partners on the equity and justice metrics under consideration for Efficiency Vermont programs. Additionally, the team followed up on six RDC stakeholder interviews that took place in the context of the 2022 Demand Resources Planning process and offered equity insights.

### *RDC & DU priorities*

The interview questions asked by Efficiency Vermont reflected the priorities of the communities served by the RDC or DU; the current state of diversity, equity, the inclusion work at the RDC or DU; metrics prioritized by the RDC or DU; and ways the RDC or DU would like to see energy efficiency work measure and more effectively incorporate equity and justice considerations.

Although the responses of RDCs and DUs did not directly reflect the opinions of C&I businesses, they offered information about the C&I businesses they serve. **Energy affordability** emerged as the primary energy concern for businesses, and should remain a cornerstone of C&I energy efficiency programming. Especially for small communities, businesses are anchors for jobs and local economic activity. In addition to providing important jobs, goods, and services to communities, C&I businesses are the largest accounts for distribution utilities with businesses typically consuming up to 50 percent of supplied electricity. Because utility operations costs are fixed, this high share of total costs means the remaining (smaller) customers bear a lower

proportion of the fixed operational costs. This phenomenon supports energy affordability for the entire community—as long as the businesses remain intact.

A related priority for C&I businesses is **energy reliability and availability**. For example, when Efficiency Vermont and a DU worked together to upgrade one business's service from a diesel generator to interconnection with the electric grid, the customer could afford to increase the duration of their operations and increase their production reliability, while decreasing the costs of operations.

Most of the interviewed DUs and RDCs had an idea of what they would like to measure in capturing the equity effects of their work, especially in the context of how that work relates to commercial energy efficiency projects. Nevertheless, very few of these entities have collected, analyzed, or used those metrics in their programs. DU metrics tended to prioritize support based on (1) the number of employees hired by a business, and (2) the overall size of the company or electric bill. The DUs also intentionally supported small and medium-sized businesses, which might have more barriers to participation than larger businesses, and utilized geographic targeting to support C&I businesses in selected communities to advance strategic economic development or to address specific structural barriers.

The RDCs and DUs reported that they would like to see Efficiency Vermont integrate equity and justice metrics into energy efficiency programming. Several suggested providing more detailed information about geographic differences between energy burden and program participation. One respondent discussed the intersection of housing, workforce, and the needs of the commercial sector both within and beyond the context of energy. Examples of these concerns for C&I entities are affordability, of which energy use plays a key part, the ability of businesses to attract and retain workers, and the common challenges encountered by the workforce such as the energy burden of transportation, cost of childcare, and availability of affordable housing.

### ***C&I business value drivers***

In addition to interviewing RDCs and DUs, the study team conducted interviews with two C&I businesses to gain an understanding of their greatest concerns and whether they were tracking specific non-energy metrics associated with their work. The study team plans to continue interviewing in 2023. The two interviews conducted to date sought the extent of alignment between the organizations' values and the proposed equity and justice metrics. Efficiency Vermont interviewed each customer for 30 minutes. Of the two participants, one was a for-profit small business and one a nonprofit small business.

The two interviews highlighted the importance of understanding each customer's mission, priorities, and pain points, before diving into specific energy efficiency solutions. The small business shared the challenges it had encountered from paying for the space it leases and coordinating building upgrades with its landlord. The business shared that this split incentive dynamic between the business tenant and the landlord was a significant barrier to further participation in energy efficiency programs, despite the business's deep commitment to advancing environmentally friendly practices throughout its operations. As a tenant with a very



limited operations budget, the business had significant concerns about investing in equipment with a multi-year return on investment when they did not feel secure that they would be able to stay in the space long enough to recover their investment. Their landlord similarly did not feel sufficiently confident about investing directly in the desired measures, because the landlord was not sure how long the current tenant would stay beyond the current lease period and could not be certain that the improvements would be sufficiently relevant or attractive to future tenants.

In addition to energy efficiency, the tenant was interested in receiving tailored support to further promote sustainability and social equity in their operations and through their broader impact in the community. In particular, the tenant was very interested in lifecycle assessments, carbon footprints and offsets, and quantifying and enhancing their social impact.

The second commercial interviewee, the nonprofit, was a food shelf whose delivery of social benefits to its community is core to its work and mission. The food shelf works both to scale the reach of its food security services to low-income community members and to enhance the quality of its service delivery, particularly in the context of dignity and choice. To achieve these objectives, they are preparing to make capital investments to increase their refrigeration space and hope that support from Efficiency Vermont will ensure that this improvement is as cost-effective as possible. Although the business recognizes this goal aligns closely with the energy efficiency services available to them, they noted that the staff time to investigate and participate in programs, and access to capital, pose significant barriers to moving forward.

## Applying Equity Metrics in Business Decisions

As the interviews reinforced, the value propositions for tracking equity metrics associated with energy efficiency programs are unique within each business. As such, the non-energy benefit information Efficiency Vermont seeks to collect and analyze may be different than the non-energy benefit information that is of interest to the business. Tracking metrics that meet both the needs of the business and Efficiency Vermont will be important for Efficiency Vermont to best support businesses in making equity metric-informed decisions.

When evaluating business-level investment effects, Efficiency Vermont recognizes that business decision makers may not be familiar with quantifying the impacts of their business on local economic development, affordability, employee wellbeing, and other community indicators of equity. Nevertheless, even for businesses that may not consider equity as core to their mission, Efficiency Vermont introducing equity metrics to the business as a prioritization consideration for energy efficiency projects can help to enhance the business' understanding of the impact the business has on equity within the community and increase participation in Efficiency Vermont programs. Additionally, the underlying values captured through the C&I equity metrics can help Efficiency Vermont to better understand and communicate the true value of energy efficiency programs to business customers.

Efficiency Vermont is well positioned to advise participating businesses on relevant quantitative and qualitative metrics that encompass the energy savings, cost benefits, and non-energy

impacts – measured at either the business, employee, or community level – of energy efficiency work. Efficiency Vermont’s close partnership with Vermont businesses and their communities provides insights to both the organization’s values and the impact of the business within the broader community. The metrics Efficiency Vermont tracks and reports can be tailored to align with the key values and priorities of the business, for example tracking improvements in employee satisfaction and retention that result from energy efficiency upgrades.

Efficiency Vermont can use equity metrics to better quantify and demonstrate the full benefits of energy efficiency programs and to improve program designs to support equitable outcomes. Efficiency Vermont can also use the equity metrics in determining program and project prioritization and incentive levels, enabling defensible comparisons of non-energy benefits between businesses. Once equity is centered in the design and delivery of commercial programs, the wealth of experience describing the non-energy benefits and understanding community and partner values may contribute to future efforts to unify quantitative and qualitative energy, cost, and non-energy metrics to create a rigorous approach to comparative optimization between commercial and industrial projects.

Businesses can use the equity metrics to evaluate benefits across multiple project opportunities in order to prioritize capital investments and resource allocations to best support the businesses’ energy and non-energy goals.

## Next Steps and Recommendations

The study team proposes the following next steps and recommendations to further this research and begin implementing equity metrics within Efficiency Vermont programs.

### Data availability vs. impact

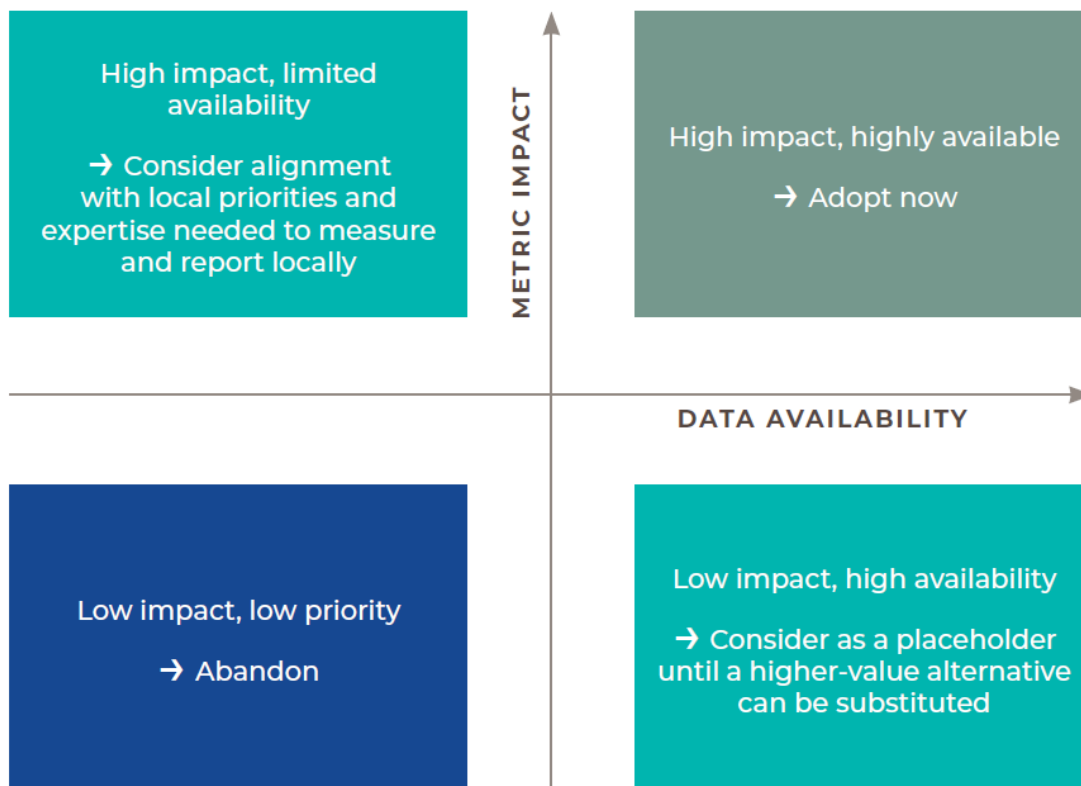
With seventy-four equity metrics identified, Efficiency Vermont needs to prioritize those that reflect the greatest alignment with Efficiency Vermont’s and local businesses’ goals for measuring non-energy impacts. Tracking too many metrics can pose challenges in analysis and in measuring meaningful progress towards organizational goals, while tracking too few may result in an inability to capture the complexity of equity work.

Efficiency Vermont will want to ensure data availability for the selected metrics. When Efficiency Vermont is unable to directly measure a metric, proxy indicators can be used to generate outcome estimates.

Efficiency Vermont will also need to avoid metrics that require a significant administrative burden for the program administrator or business, as well as those that breach comfort or privacy concerns for involved parties. The matrix in Figure 4 below can help the Efficiency Vermont team categorize and prioritize the metrics according to impact and data availability.



### Approach to Metric Impact vs Availability



Ideally, many of the measures selected in an energy equity plan will be both high impact and highly available.

Figure 4: Impact versus availability matrix for assessing metric viability from the University of Michigan’s [Energy Equity Project Report 2022](#) (p. 21)

In phase two of this research, Efficiency Vermont will pilot high impact metrics readily available through program and public data sets. Efficiency Vermont will also explore the feasibility of tracking high impact metrics where data may be limited by using placeholder or proxy metrics.

Efficiency Vermont could expand the scope of phase two of this research to explore pairing data already collected by Efficiency Vermont with existing external datasets, such as the Center for Disease Control and Prevention [Agency for Toxic Substances and Disease Registry Social Vulnerability Index](#) and the Vermont Department of Health [Environmental Public Health Tracking Program](#), at the census tract level to highlight dimensions of equity in Efficiency Vermont’s programs.

### Continuing business engagement

Efficiency Vermont can benefit from the in-depth knowledge of business values, drivers, and barriers to design more effective programs as well as to advance equity considerations in the commercial space. For example, Efficiency Vermont could apply the lessons learned through this engagement to improve administrative efficiency to lower barriers (perceived or actual) for

program participation. In phase two of this research, Efficiency Vermont will continue interviewing C&I businesses and stakeholders. These interviews will deepen Efficiency Vermont's understanding of each businesses' value propositions and equity goals. The interviews will also reinforce relationships and foster trust between businesses and Efficiency Vermont.

Upon completing the interviews, Efficiency Vermont can compile a final list of equity metrics beneficial to businesses and to advancing equity through Efficiency Vermont programming. The proposed metrics will intentionally represent a spectrum of C&I priorities that can be further tailored by Efficiency Vermont to meet the needs of individual businesses.

To best serve all businesses, Efficiency Vermont can engage businesses that have not yet completed an energy efficiency project to fully understand the barriers to program participation. Administrative challenges such as time and skills, cost and structural challenges such as renting vs. owning, and general awareness challenges such as knowledge of available programs and understanding the value of those programs can prevent access to Efficiency Vermont programs. Focusing on inclusive engagement and customer-centric metrics in program design and reporting will ensure Efficiency Vermont programs support all Vermonters in reducing their energy costs.

As the benefits to improved program design resulting from the business engagements may be greater for Efficiency Vermont than the individual businesses participating in the engagement, Efficiency Vermont can compensate businesses for their time providing input. The compensation from Efficiency Vermont could be a donation or direct payment to the business or as an additional incentive on planned energy efficiency projects.

The study team can coordinate this research with ongoing stakeholder and customer engagement efforts occurring under regular C&I program operations. Efficiency Vermont could benefit from establishing systems and staff training to track and assess the qualitative data collected during these business engagements.

## Comprehensive business support

As Efficiency Vermont collects information from businesses, the study team recommends ensuring those businesses are informed of how the information will be used and communicating how involvement in such energy efficiency and equity efforts might benefit the business. For example, Efficiency Vermont could proactively provide connections to available resources. Borrowing from the example of the One Touch program in the residential sector, this might look like connecting a business to loans and business planning support offered by the State. Furthermore, Efficiency Vermont could provide enhanced support for energy efficiency as well as coaching to connect specific energy efficiency measures with ways the business can enhance its environmental and societal impact.

The extent to which Efficiency Vermont can offer comprehensive support services will depend on program funding, available resources for systems integration, and business needs in advancing energy efficiency. The long history of custom incentives in commercial and industrial programs can allow greater flexibility to integrate findings directly into program design.

## Optimizing program design

After market testing the new metrics and resulting program designs, Efficiency Vermont could investigate modifying or adding equity and justice metrics to Efficiency Vermont's regulatory reporting and performance requirements for the C&I sector. For example, Efficiency Vermont could report indicators of business finances and business owner demographics to evaluate its performance supporting businesses with more economic challenges, as well as better understand barriers encountered by businesses such as language access and limited credit. One innovative idea that merits further exploration is to subdivide the program-specific performance requirements for C&I and small business customers into owned and leased buildings. Separating these out could lead to tailored programs able to address the unique barriers in each ownership structure and to the common demographics of each market.

The study team will work closely with program managers, the partner and customer engagement team, and the consumer insights team at Efficiency Vermont in implementing phase two of this research.

## Conclusion

As Efficiency Vermont aspires to increase equity in program design, participation, and impact, the organization is using a process centered in ongoing stakeholder engagement and continuous learning. This research project honors that process and contributes to the development of definitions and measurements in the form of equity metrics necessary to achieve Efficiency Vermont's equity strategy.

Efficiency Vermont can use the equity metrics in assessing the non-energy impacts of energy efficiency programs and services to prioritize resources in delivering higher equality outcomes while continuing to meet Efficiency Vermont's portfolio energy use and demand goals. The information provided by the equity metrics will enable Efficiency Vermont to better support businesses in aligning energy efficiency work to business priorities beyond energy-use such as employee retention and local economic prosperity.

The study team identified seventy four metrics that can reflect the scope of equity within, and broader social impacts of, Efficiency Vermont's programs. In phase two of this research, the study team will prioritize the equity metrics using a lens of data availability vs. impact to determine which metrics can further the organization's equity goals without consuming avoidable resources and introducing unnecessary complexity. For application within the C&I sector, the final equity metrics will need to balance both Efficiency Vermont's goals as well as the unique priorities of each business.

Information collected by the study team from RDCs, DUs, and local businesses provided insights to C&I business value propositions, expectations of energy efficiency programs, and equity considerations. The team plans to expand the C&I business interviews to inform prioritization of the equity metrics, and recommends exploring the comprehensive support that Efficiency Vermont can provide to businesses.

Collectively this work supports optimizing program design to achieve equitable outcomes, and on-going organizational efforts to develop, understand and implement equity metrics.

## Appendix A: Existing Efficiency Vermont Equity-related metrics Excerpted from Efficiency Vermont’s Demand Resource Plan Energy Equity Work Paper (January 2023)

Efficiency Vermont currently measures and reports its progress toward eight metrics that have historically been categorized as “equity” metrics.<sup>6</sup> These metrics ensure Efficiency Vermont expends effort on customer segments in proportion to the size of those customer segments, or the magnitude of the Energy Efficiency Charge (EEC) paid by those customer segments. These current metrics are more accurately characterized as “equality” metrics, because they promote the distribution of benefits across various customers segments in proportion to the size of those customer segments or the magnitude of the customer segments’ EEC contributions. In contrast, true equity metrics recognize the different circumstances of communities and customers and incentivize program administrators to allocate resources and opportunities at levels necessary to achieve equitable outcomes.<sup>7</sup>

*Table 1. Electric minimum performance requirements (MPR) related to equity as proposed in Efficiency Vermont’s 2024-2026 Demand Resource Plan (DRP)*

MPR title	Minimum requirement	Policy Objective
#9: Minimum Electric Benefits	Total electric benefits divided by total costs is greater than 1.2	Promotes equality for electric ratepayers by assuring overall electric benefits are greater than the total costs incurred to implement and evaluate the electric Energy Efficiency Utility and EEC
#10: Threshold (or Minimum Acceptable) Level of Participation by Residential Customers	Total residential sector spending is greater than \$38,202,000 (70% of planned residential spend)	Promotes equality for residential ratepayers by assuring a minimal level of overall efficiency efforts, as measured by spending, will be dedicated to residential customers
#11: Threshold (or Minimum Acceptable) Level of Participation by Low-Income Households	Total low-income services spending is greater than \$13,024,000 (85% of planned low-income spend)	Promotes equality for low-income ratepayers by assuring a minimal level of overall efficiency efforts, as measured by spending, will be dedicated to low-income single and multifamily households. In the DRP, Efficiency Vermont models low-income spending at levels equal to 100% of EEC funds accrued from low-income

<sup>6</sup> For full Energy Equity Work Paper, see Attachment EVT-DPS 1-A2 *Efficiency Vermont Equity Paper* filed by Efficiency Vermont on January 24, 2023, in Vermont Public Utility Commission Case No. 22-2954-PET.

<sup>7</sup> [George Washington University provides further explanation of the difference between equity and equality.](#)

MPR title	Minimum requirement	Policy Objective
		Vermonters, which for 2024-2026 is 12.1% of the total resource acquisition budget.
#12: Threshold (or Minimum Acceptable) Level of Participation by Small Businesses	Total non-residential premises with annual electric use of 40,000 kWh/yr or less that acquire kWh savings is greater than 2,000	Promotes equality for small business ratepayers by assuring that a minimum level of overall efficiency efforts, as measured by participation, will be dedicated to small business accounts
#13: Geographic Equity - County	Minimum Total Resource Benefit (TRB) savings for geographic areas in Vermont based on each area's electricity usage	Promotes geographic equality for all Vermont electric ratepayers by assuring that energy efficiency benefits, as measured by TRB, are geographically distributed
#14: Geographic Equity - Utility	Minimum lifetime customer savings for each distribution utility, based on the average percent of EEC contributions each utility's ratepayers accrue	Promotes geographic equality for all Vermont electric ratepayers by assuring that energy efficiency benefits, as measured by customer lifetime savings, are distributed across utility territories

*Table 2. Thermal MPRs related to equity as proposed in Efficiency Vermont's 2024-2026 DRP*

MPR title	Minimum requirement	Policy objective
#5 Threshold (or Minimum Acceptable) Level of Participation by Residential Customers	Total residential sector spending is greater than 62.5% of the total Thermal Energy and Process Fuel (TEPF) fund expenditures	Promotes equality for residential customers by assuring that a minimum level of overall efficiency efforts, as measured by spending, will be dedicated to residential customers
#6 Threshold (or Minimum Acceptable) Level of Participation by Low-Income Households	Total low-income spending is greater than 17% of the total TEPF fund expenditures	Promotes equality for low-income customers by assuring that a minimum level of overall efficiency efforts, as reflected in spending, will be dedicated to low-income customers. In the DRP, Efficiency Vermont models low-income spending at the percentage of unregulated fuel used by low-income Vermonters, which for 2024-2026 is 21% of total resource acquisition budget.

## Appendix B: Equity & Justice Metrics

The study team divided the prioritized equity metrics into the three dimensions of equity—structural (recognition), procedural, and distributional.<sup>8</sup> Each dimension reflects a particular aspect of equity within the context of energy efficiency programs with the aim of a holistic achievement of equality in program outcomes.

Structural equity metrics seek to recognize and identify marginalized communities that often disproportionately bear the costs and burdens of the energy system without equal access to the benefits of energy programs. These metrics range from demographics and firmographics to indicators of vulnerability such as energy burden. The structural dimension aims to define populations of interest with an eye towards recognizing and correcting past harm. Structural metrics can reflect the underlying cause of inequalities by highlighting racial demographics due to systemic racism or individuals experiencing a disability. Structural equity metrics can also characterize a symptom of past harm and burdens resulting from a confluence of factors such as income and exposure to environmental pollution.

Procedural equity metrics explore representation in decision-making to ensure a full diversity of voices of impacted communities are heard through the design, implementation and evaluation of energy programs and policies. Procedural equity measures ways that programs and policies include representative voices, particularly those identified through structural equity metrics, in energy program design and delivery.

Distributional equity helps to measure and understand how the benefits and harms of the energy system are distributed. Distributional equity explores the disparate impacts of the benefits and burdens of programs as well as the broader energy system. Examples of distributional metrics are program investment, program savings/impacts and program participation.

By definition, a dimension is a measurable extent which reflects a particular aspect/lens. Focusing on a singular dimension, or a specific metric within a dimension, will result in an incomplete understanding of progress toward equity goals. Furthermore, the multidimensional aspect of equity metrics makes it difficult to delineate every metric neatly into one category/dimension. For example, energy burden is both used to identify a particular population with a significant burden arising from a variety of past and sometimes unfair historical factors (structural equity) whom need to be included in program design (procedural equity) as well as to measure the distribution of benefits and burdens of the energy program (distributional equity).

While a dimension is selected for each metric identified in the matrix below, the dimension characterization is intended to be descriptive rather than exhaustive. Similarly, the applicability of the listed metrics by residential (household) or C&I (divided between the groups discussed above of owners, employees and customers) is a tool to characterize equity impacts by program stakeholder. Finally, it is worth noting that an equity analysis might combine multiple dimensions

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<sup>8</sup> These three dimensions of equity are discussed in greater detail in pages 11 and 12 above.



such as structural and distributional. For example, a strong pairing includes an analysis by population (that is identified through structural equity metrics) with the distributional equity metrics to identify and understand gaps in program delivery.

The sources listed in the table below are intended to recognize where the metric originated. The study team modified the metrics as appropriate to fit within the context of Efficiency Vermont programs and services.

Dimension	Owner	Employee	Customer	Household	Metric	Source
Structural	x	x	x	x	Firmographic/demographic groupings (beyond those listed below)	VEIC
	x	x	x	x	Income level	VEIC
		x		x	Employment rate	UofM EEP
	x		x	x	Identified disadvantaged communities and populations of interest	UofM EEP
	x	x		x	# Disconnections	UofM EEP
	x	x		x	# Disconnection suspensions during extreme circumstances	UofM EEP
	x	x		x	# Disconnections disproportionately impacting BIPOC	UofM EEP
	x	x		x	Trend in disconnections	UofM EEP
				x	% Renters	UofM EEP
	x	x		x	% Black Indigenous Persons of Color – Frontline – Low Income (BIPOC-F-L)	UofM EEP
	x	x		x	Poverty rate	UofM EEP
	x	x		x	Deep poverty rate	UofM EEP
				x	Housing Burden	UofM EEP
				x	% Without health insurance	UofM EEP
			x	x	Climate vulnerability - heat exposure	UofM EEP
			x	x	Incarceration rate	UofM EEP
	x	x		x	Educational attainment	UofM EEP
			x	x	Air quality	UofM EEP
		x	x	x	Presence of toxic facilities	UofM EEP
		x	x	x	Social vulnerability index	UofM EEP
			x	x	Climate vulnerability - hurricane risk	UofM EEP
			x	x	Climate vulnerability - heat wave risk	UofM EEP
			x	x	Climate vulnerability - wildfire risk	UofM EEP
		x	x	x	% Households keeping homes at unsafe temperature	UofM EEP
		x	x	x	% Households where English not primary language spoken	UofM EEP
		x	x	x	Housing inspection scores (HUD multifamily)	UofM EEP
		x	x	x	Eviction rate	UofM EEP
			x	x	% Households without internet access	UofM EEP
				x	Age of housing	UofM EEP
			x	x	Historical violations of land sovereignty by the energy industry	UofM EEP
x	x		x	Energy as a human right policy / declaration guaranteeing access / permanent moratorium on disconnections	UofM EEP	
		x	x	% Senior, living alone	UofM EEP	
	x		x	Transportation burden	UofM EEP	
	x		x	% With a disability	UofM EEP	



Dimension	Owner	Employee	Customer	Household	Metric	Source
	x				\$ Invested in critical industry (defined based on Vermont economic and community development priorities)	Authors
	x				% Businesses that lease their space	Authors
Procedural	x			x	Engagement in writing policy / rulemaking	UofM EEP
	x			x	Stated equity goals, principles	UofM EEP
	x			x	Ease of access to participate meaningfully (clearly explained on website, ease of filing comment, easier path of public intervention, trainings / overview of the process and opportunities, ability to join workgroups that have decision-making power, ease of access to data, surveys and focus groups)	UofM EEP
	x			x	Ease of qualifying / participation	UofM EEP
	x			x	Financing access (eliminate credit score requirements, subsidize / eliminate interest payments, etc.)	UofM EEP
	x	x	x	x	Access in multiple languages	UofM EEP
	x	x		x	Population access (multilingual materials, public meetings in impacted communities at appropriate times, multiple ways to participate, public comment early in meeting and extended)	UofM EEP
				x	Effective marketing to households	UofM EEP
	x			x	Multiple enrollments in all eligible programs supported	UofM EEP
			x	% Overall organization budget spent on engagement and equity measurement	UofM EEP	
Distributional	x			x	Program investment (the level of program investment)	VEIC
	x			x	Energy savings (level of energy savings associated with specific programs)	VEIC
	x			x	Energy cost savings (level of energy cost (utility or fuel bill) savings for program participants)	VEIC
	x			x	Non-energy program savings	VEIC
	x			x	Program participation (number of customers directly served by a program)	VEIC
	x			x	Participation rate (measure of the level of program participation as a proportion of potential or eligible customers)	VEIC
	x			x	Participation distribution (proportion of total population for specific demographic or firmographic grouping)	VEIC
	x	x	x	x	Change in indoor / outdoor air quality in impacted communities	UofM EEP
	x			x	Energy burden disparities at the participant and community level	UofM EEP
	x			x	Supply chain firmographics	UofM EEP
	x	x		x	Impacted community and climate resilience benefits, reduction in disparities	UofM EEP
			x	x	Reduction in asthma rates	UofM EEP
		x		x	% New jobs obtained by impacted communities / households	UofM EEP
		x		x	Quality of new jobs / wage disparities by population	UofM EEP
	x			x	% Buildings electrified	UofM EEP
	x			x	% Electricity generation from renewables	UofM EEP
	x	x		x	Disparity in electric utility rates between residential vs. C&I	UofM EEP
x			x	% Overall organization budget spent on equity initiatives	UofM EEP	
x	x			Dollars invested in tourism	Authors	

Dimension	Owner	Employee	Customer	Household	Metric	Source
	x	x		x	Environmental justice (steps taken to reduce environmental burdens or repair past harm, includes several interventions such as air quality, water quality, reduction of noise pollution)	Authors
	x	x		x	Human health and safety	Authors
	x	x		x	Social infrastructure (measures gains / improvement in physical community infrastructure such as schools and libraries and how these institutions support the social capital of their communities)	Authors
	x	x		x	Social capital impact (measures gains in community connections, enabling the flow of information and support between community members)	Authors
		x			# Full Time Equivalent (FTE) Jobs created	Authors
		x			Employee retention rate	Authors
		x			Employee turnover rate	Authors
			x		Workforce development (goes beyond FTEs to include metrics that report on the support provided to individuals to achieve livable wages, sustained income, and career development potential; for example, measuring salary growth and trade certifications)	Authors
			x		Clean workforce development (workforce metrics related to developing careers in the clean tech sector)	Authors

## Appendix C: Partner and Business Interview Guides

### Interview Questions for Regional Development Corporations and Distribution Utilities

#### *Regional Development Corporations*

1. What are the most important economic development issues facing the communities that you serve?
  - a. What are other issues in the communities?
2. What are the most significant challenges facing the small businesses, industry, and commerce in your community?
3. What are your top priorities to improve the quality of life for the residents in your community?
4. What steps has your organization taken to address social justice, including DEI, through internal and external programming considerations?
  - a. How would you like to see Efficiency Vermont support your work and ongoing DEI efforts in your community?
    - i. What DEI gaps do you see in energy efficiency programs?
5. If you are interested in more in-depth engagement to prioritize DEI in Efficiency Vermont's work, we have a draft matrix of equity metrics for your review. The purpose of these metrics falls into two main categories:
  - a. Enhanced understanding of our program impacts
  - b. Improved program design and targeting to achieve the greatest social and energy benefit, both for customers as they decide between different energy efficiency options to optimize their overall impact and for Efficiency Vermont as we design and strategically deliver energy efficiency programs.

Here are some questions to help focus your review and feedback:

- a. How does your organization define and approach equity and social justice?
- b. Is your organization currently tracking or planning to track any of the metrics in the matrix for your programs and services? What have your experiences been in tracking these types of metrics?
- c. What metrics are missing from the matrix?

#### *Distribution Utilities*

1. What are your top priorities to improve the quality of life for your customers?
2. What steps has your organization taken to address social justice, including DEI, through internal and external programming considerations?
3. What DEI gaps do you see in energy efficiency programs?
4. If you are interested in more in-depth engagement to prioritize DEI in Efficiency Vermont's work, we have a draft matrix of equity metrics for your review. The purpose of these metrics falls into two main categories:
  - a. Enhanced understanding of our program impacts

- b. Improved program design and targeting to achieve the greatest social and energy benefit, both for customers as they decide between different energy efficiency options to optimize their overall impact and for Efficiency Vermont as we design and strategically deliver energy efficiency programs.

Here are some questions to help focus your review and feedback:

- a. How does your organization define and approach equity and social justice?
- b. Is your organization currently tracking or planning to track any of the metrics in the matrix for your programs and services? What have your experiences been in tracking these types of metrics?
- c. What metrics are missing from the matrix?

## Interview Guide for C&I Businesses

### Introduction:

Hello, thank you for your availability and willingness to be interviewed today. We're aiming to keep this conversation around 60 to 90 minutes. First, do you mind if we record this session? This allows us to look back at the original source material in the future when we're summarizing this interview. It ensures that we're as accurate as possible when attempting to represent your views.

Today, we're interested in talking specifically about diversity, equity, and inclusion at your organization and in the context of the customers you serve. Ultimately, we're hoping to see whether some tools and metrics we're developing around social justice make sense in the real world, especially in relevant community-facing industries. We greatly appreciate your time and input on behalf of [your organization]. Thank you.

If that all sounds good, let's get started.

### General Questions

1. Could you introduce yourself and provide some background about your role here at [organization]?
2. How would you describe your organization's role within:
  - a. The broader community?
  - b. The local economy?
  - c. The sphere of social responsibility and corporate/sectoral leadership?
3. How does your organization think about supporting your customers/community?
4. What are some of [organization's] big-picture challenges?
  - a. How do these play out in the day-to-day?
  - b. What are some of [organization's] longer-term goals to address or resolve these challenges?
  - c. What is the best way that Efficiency Vermont could support [organization] with these issues?
5. How does your organization think about supporting your staff/employees?

- a. How have you addressed/integrated/formalized some of these elements into company culture?
6. Many organizations have staffing challenges right now. Is this the case for your organization?
  - a. [If yes] Could you describe your current challenges related to staff retention?
7. How would you define the term “equity” within the context of your current operations?
8. Does your organization currently prioritize diversity/equity/inclusion? If so, which DEI issues are being discussed at the leadership level? Across the organization?
  - a. When / why did these become a priority?
  - b. Thinking back to the big-picture issues we discussed earlier, does DEI play a role within any of these?
  - c. What about your staffing challenges – does DEI play a role there?
9. Has your organization’s consideration of DEI initiatives and their importance changed over the past few years?
  - a. Would you say it is more important, less important or has not changed?
  - b. How do you see your organization’s DEI strategy evolving in the coming months or years?

### Focused Questions

10. Do any of your current or future programs/services have DEI goals related to specific populations?
  - a. Prompt: Example, low-income or otherwise disadvantaged communities?
  - b. If yes, how do you define your target populations?
  - c. If yes, which metrics are you currently using to track program impact?
11. Have you encountered any challenges in attempting to track program metrics in the past?
  - a. If so, could you please explain?
12. What are your thoughts on Efficiency Vermont using non-energy related metrics when attempting to measure program/service impact within the communities you serve?
  - a. Which of the following four types of metrics would resonate most with your organization’s current values and/or goals: (1) economic impact, (2) social impact, (3) human health/safety impact, or (4) environmental justice impact?
  - b. Prompt: Could you rank these in order of importance?
13. What are the benefits of your organization investing in DEI objectives?
  - a. And what are the (potential) costs?
  - b. For business ROI: For your organization, is there a relationship between investing in DEI objectives and business growth or profitability? What is this relationship?
  - c. Would your organization be willing or able to pay a premium in order to source goods or services provided by organizations aligned with your current DEI goals?