

AB 523: Equity In Clean Energy Investments

The California Energy Commission created the Electric Program Investment Charge (EPIC) in December of 2011.

The purpose of this program is to fund clean energy technology projects that will promote clean and renewable energy throughout California and improve air quality. The EPIC program has an annual funding of \$162 million that is collected from the customers of the three largest investor-owned utilities companies in California. These include the Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison (SCE). These funds can be used for research and development, technology demonstration and deployment, and market facilitation. The CEC administers the EPIC funds that are collected and monitors the programs.

What is AB 523?

AB 523 by Assemblymember Gomez-Reyes would dedicate at least 25% of the available Electric Program Investment Charge (EPIC) funds for clean energy projects in disadvantaged communities (DAC) and an additional 10% to low-income households. AB 523 is co-sponsored by the Women's Foundation and the California Environmental Justice Alliance.



How will AB 523 improve your community?

AB 523 will ensure that low-income communities throughout California have equal opportunity and access to energy efficient services and programs that will improve their wellbeing. This legislation will help remove many of the barriers that continue to limit residents from fully participating in energy programs. AB 523 will help us move away from the use of dirty energy, like fossil fuel to clean and renewable energy that will lead to the improvement of our environment and health. These investments will also promote job development and economic growth throughout California.

Why is AB 523 essential for disadvantaged and low-income communities?

Currently, clean energy programs like EPIC are not reaching the communities that need them the most. A study released by California's Energy Commission in December 2014 identified that while low-income and disadvantaged communities financially support the state's extensive clean energy programs and spend a larger percentage of their household income on utility costs, most are not yet able to participate in those programs. For example, in 2015 only 14% of EPIC funds went toward projects benefiting disadvantaged communities even though they make up 25% of the state's population.

Why do we need clean energy?

Our planet needs a hand, and by turning to cleaner energy solutions we can ensure a healthier planet and environment. Clean energy helps reduce climate change and our dependence on fossil fuels, which has historically caused pollution and health related issues in our communities.

What does EPIC look like in our communities?

San Francisco

In 2016, a \$3 million dollar EPIC grant was awarded by the the California Energy Commission to renovate an existing mixed-use building in the Tenderloin neighborhood to have a Zero Net Energy design. This site currently houses 91 low-income residents, including formerly homeless and at-risk individuals. Once this project is complete, and the residents operate efficient appliances and controls, the building owner will not have to pay electric utility bills. In the end, this will save low-income residents money and serve as a model for future clean energy projects that benefit disadvantaged communities.



Fresno

In summer 2016, the California Energy Commission awarded a \$5 million dollar EPIC grant to establish the Central Valley Energy Innovation Cluster. The focus of this project is to support energy entrepreneurs with key services and infrastructure in hopes of successfully commercializing new water and energy technologies. The Central Valley provides water to more than 20 million people and accounts for 80% of the state's agricultural products.

"It is important that bills like AB 523 are put in place because low-income communities and communities of color should be first in line when it comes to innovation. It is time we invest in renewable energy in disadvantaged communities. Innovative laws like AB 523 will help us achieve clean energy."

Anabel Marquez, Shafter Resident and member of the Center on Race, Poverty & the Environment

