

Updated May 03, 2022

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## Introduction

Energy justice is an emerging topic that is receiving attention at the federal and state levels. The U.S. Department of Energy is actively working to implement the Biden administration's [Justice40 Initiative](#), a goal that 40% of the overall benefits from federal investments in climate and clean energy [flow](#) to disadvantaged communities. At the state level, some state legislatures have considered measures related to energy justice. Building off the [tenets](#) of environmental justice, energy justice [refers](#) to the concepts of equity, affordability, accessibility and participation in the energy system and energy transition regardless of race, nationality, income or geographic location.

Advocates for energy justice [promote policy](#) measures aimed at reducing energy costs and burdens on low-income customers, avoiding disproportionate impacts and ensuring the equitable distribution of the benefits of energy generation, transmission and transition, access to reliable and clean energy, and participation for communities in energy sector decision-making and development. This paper will examine recent state policy related to energy justice, including energy affordability, infrastructure siting, community renewable energy development, and the incorporation of energy justice considerations into broader emissions reduction and renewable energy programs.

## Energy Affordability and Access

The affordability of and access to reliable energy is at the heart of energy justice. Referred to as an "energy burden," studies have shown that [communities of color](#) and low-income families pay a significantly higher share of their income in energy costs. [National data](#) show that on average, low-income households pay nearly 9% of their income in energy costs—three times more than non-low-income households. An [estimated](#) 25% of households have a high energy burden, considered to be above 6% of household income. An additional 13% of American households have a severe energy burden

of paying more 10% of their income on energy. The energy burden has been an issue for communities and legislators for decades and is the impetus behind federal programs such as [LIHEAP](#) and other state programs that provide direct financial assistance for low-income families' energy bills.

## Siting of Infrastructure / Participation in Development

Energy justice advocates are also concerned with the siting of energy facilities and infrastructure. Borrowing from decades of environmental justice advocacy, energy justice is concerned with potential pollution, noise or health impacts from energy generation or transmission facilities. On the other hand, communities may benefit in some ways from the siting of certain energy facilities. For example, some states are pursuing the transition away from coal facilities by siting solar ([Illinois](#)) or nuclear power ([Wyoming](#)) on those former coal sites in an effort to keep jobs and economic development in the community.

Regardless of the impacts associated with the siting of infrastructure within low-income or marginalized communities, participation and representation in the decision-making process surrounding the siting of energy infrastructure is a major tenet of energy justice. Many states have been pursuing legislation that promotes community participation or the consideration of energy justice issues during energy facility siting decisions.

Some states, such as [New York](#), have established councils or task forces aimed at including energy justice and other equity issues in decisions surrounding the state's energy transition. The state's [Climate Justice Working Group](#) is comprised of representatives from "environmental justice communities" that advise the state regarding the economic and environmental impacts of the state's transition to clean energy, including clean energy development, energy efficiency programs and low-income energy assistance.

New Jersey enacted [SB 232](#) in 2020 to require the state's Department of Environmental Protection to evaluate environmental and public health stressors for "overburdened communities" when issuing permits or licenses for regulated activities and facilities. Applicants must submit an environmental justice impact statement for any new or expanded facility, which would include certain energy facilities and infrastructure.

Virginia enacted [SB 851](#) to promote a clean energy transition that benefits low-income and historically economically disadvantaged communities. There are numerous provisions addressing energy justice issues in the bill, including an expansion of the state's PIPP to reduce energy costs. Notably, the bill also requires the state PUC to ensure the development of new or expanding energy facilities does not have a disproportionate impact on historically economically disadvantaged communities. Additionally, the commission should consider whether the placement of renewable energy facilities provides benefits to those communities and displaced fossil fuel workers.

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## Community Solar

The Biden Administration announced the [national community solar partnership](#) to make rooftop solar more accessible and affordable and create \$1 billion in energy cost savings by 2025. Community renewable energy can promote energy justice by making clean energy more affordable and accessible, and by giving power and ownership of energy generation to members of disadvantaged communities. Many states are enabling or expanding their community renewable energy policies to focus on benefits and accessibility for low-income customers.

Colorado, one of the nation's leading community solar states, has developed policies around ensuring that low-income customers can realize the benefits of community solar. For example, The state's [community solar statute](#) requires the state PUC to develop policies that encourage the use of community solar gardens for low-income customers. Colorado also enacted HB 1003 in 2019 to expand the generation capacity limits for community solar arrays from 2 MW to 5 MW and remove certain siting requirements to allow more customers access to community solar services.

Sen. Chris Hansen, a primary sponsor of HB 1003 (2019), says the bill "demonstrates the continued efforts by Colorado to address energy and environmental justice by expanding access to community solar gardens." Before the enactment of HB 1003, community solar gardens in Colorado had to be located in the same or adjacent county as the subscribers they served. By removing those siting requirements, Colorado residents now have a "greater opportunity to invest in clean energy generation while also realizing the financial benefits afforded to them by community solar gardens." Hansen also notes that the bill allows customers who "do not own a home or have the right configuration for rooftop solar to participate and enjoy the benefits of the clean energy transition."

Similarly, Massachusetts' community solar program incentivizes community solar access for low-income customers by providing "adders" to the base rates that utilities pay for electricity. Under the [Solar Massachusetts Renewable Target](#) (SMART) program, utilities in the state must purchase a certain amount of their electricity from solar facilities developed under this program, including community solar facilities. The base rate at which utilities purchase electricity from SMART facilities is higher than the typical retail rate, thereby [incentivizing](#) solar developers to build solar arrays. To incentivize the build out of community solar facilities in low-income areas, the state has established "[adders](#)" on top of the base SMART rate. These adders provide developers with an additional financial compensation on top of the base SMART rate for solar facilities with certain characteristics. For instance, a community solar facility in a low-income area sells its electricity at a rate \$0.06 higher than the base SMART rate.

New Mexico established their community solar program in 2021 by enacting [SB 84](#). The bill provides incentives for community solar facilities that serve low-income and tribal customers. There is a carve-out that requires 30% of the electricity produced from each community solar facility to be reserved for low-income customers; the state PUC plans to track and evaluate low-income customer participation in the community solar programs.

A handful of other states have also enacted legislation that aims to promote community solar access for low-income or disadvantaged communities. Maryland enacted [HB 473](#) which allows community solar subscribers to maintain their subscription despite a change of address, a provision that is particularly useful to customers who rent homes. New York's [SB 3521A](#) specifically addresses low-income customers' access to the state's community solar program by allowing customers who live in one utility territory to subscribe to community solar facilities in different utility areas. This encourages more people to access community solar, particularly those living in New York City, where land and property to build community solar arrays is scarce. Virginia's [HB 573](#) established a low-income community solar pilot program. The bill requires each electric utility participating in the state's community solar program to locate at least one generation facility in a low-income community.

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## Equity and Broader Clean Energy Legislation

States including Illinois, Oregon, North Carolina, Washington, New York and Virginia have enacted broad clean energy or emissions reduction legislation in the past few years. As states pass these large energy bills, they often consider issues of energy justice and equity.

California was one of the first states to consider issues of energy justice in broad energy and emissions reduction legislation. In 2012, California enacted [SB 535](#), which added certain provisions to its Global Warming Solutions Act of 2006. Those amendments included consideration of [disadvantaged communities](#) when distributing funds under the bill. SB 535 requires that 25% of available funds benefit disadvantaged communities and that 10% of those funds are used for projects that are specifically located in those communities.

New York's major energy transition and emissions reduction legislation ([SB 6599](#)) focuses on many [equity and justice](#) issues. For instance, it directs the state to invest 40% percent of the overall benefits of spending from the bill to disadvantaged communities. This includes investment in clean energy and energy efficiency programs, low-income energy assistance, pollution reduction and workforce development. Colorado's [Renewable Portfolio Standard](#) also has a requirement that utilities prioritize at least 40% of their expenditures on renewable energy investment to address historical equity issues concerning access by low-income customers to renewable energy.

Similarly, Washington's Climate Commitment Act enacted in 2021 set the state's climate and emissions goals. That legislation, Washington [SB 5126](#), establishes a carbon trading market for the state. Termed as a "cap-and-invest" program, the state will take proceeds from the auction of emissions credits and [invest](#) in community programs that address energy justice issues in overburdened and tribal communities.

Illinois enacted the Climate and Equitable Jobs Act in 2021. [SB 2408](#) is a comprehensive and ambitious clean energy and emissions reduction bill that considers many equity and justice issues. Illinois Senate Deputy Minority Leader Sue Rezin touts the bill's commitment to a carbon-free future while ensuring that the state did not lose vital energy sector jobs. Rezin notes that SB 2408 is "landmark legislation that could serve as a model for the nation" and that the "new law created not only a realistic path to 100% carbon-free energy in Illinois but also preserved [the] state's nuclear fleet and saved thousands of good-paying jobs." Workforce development issues, many of which are synonymous with energy justice issues, can sometimes be overlooked in broad clean energy transition policies, but those issues were a central component to the enactment of SB 2408.

For instance, it provides over \$180 million to support clean energy workforce development, including a Clean Jobs Workforce Network Hub to establish 13 "hub" sites that are aimed at providing resources, information and support to workers and communities impacted by the clean energy transition. SB 2408 also establishes incubator programs designed to provide capital and financial support for community-owned renewable energy projects and environmental justice projects. There are also [numerous provisions](#) designed to lower costs for low-income utility customers, such as the elimination of late fees and deposit requirements for those customers, and a study of whether current low-income discount rate programs are accurate and effective.

Oregon adopted [HB 2021](#), the nation's most ambitious clean energy legislation, which aims for 100% emissions-free energy production by 2040. Equity issues and environmental justice are a primary concern throughout the bill; the state hopes to achieve its clean energy targets in a manner that minimizes burdens for environmental justice communities. As utilities submit plans to reach Oregon's clean energy targets, they must convene a Community Benefits and Impact Advisory Group that includes members from environmental justice and low-income communities to assess the impacts of the utility's proposed plan. Additionally, the bill establishes grants for community renewable energy projects which seek to provide benefits such as energy resilience, cost savings and economic development to disadvantaged communities by involving community groups in decisions regarding the siting, planning and design of community renewable energy projects.

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## Conclusion

Issues of energy affordability, access and infrastructure development will continue to be concerns for legislators as the country undergoes an energy transition over the coming years. Energy justice is a complex issue with economic, racial, geographic and social implications. As such, it is unlikely that these issues will be resolved through a singular policy or approach but may be considered in the context of many energy-related policies. The Biden administration is prioritizing energy and environmental justice issues through federal action, and state legislatures are likely to continue to consider whether and how to address these issues over the course of the ongoing energy transition.

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