



# Energy Equity Primer

Terminology and Concepts to Promote Equitable Energy Opportunities

**ENERGY BURDEN** is the percentage of a household's income that goes towards household energy expenses. A household's energy burden can be measured in three categories:

<b>EXTREME</b> Greater than 10% of income	<b>MODERATE</b> 6-10% of income	<b>LOW</b> Less than 6% of income
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**ENERGY EQUITY** is a process of allocating resources and opportunities as needed to create affordable, accessible, sustainable, and resilient energy outcomes for all households, where:

- **Affordable** means energy costs are less than 6% of household income
- **Accessible** means readily having reliable and affordable access to energy services (i.e., the tasks performed using energy) in the required quantity
- **Sustainable** means the energy being used benefits—or at least minimizes harm to—people, planet, and prosperity
- **Resilient** means energy services are designed to avoid and/or withstand disruption, recover quickly from disruptions to minimize losses to households and the energy services, and adapt to changing conditions and/or support households' adaptation to changing conditions

**EQUITABLE ENERGY TRANSITION** is applying the process of energy equity to the transition from our current fossil-fuel-dependent energy system to a more diverse clean fuel base that creates affordable, accessible, sustainable, and resilient energy solutions for all

**ENERGY INSECURITY** the inability to meet basic energy needs due to high energy costs

**ENERGY POVERTY** occurs when the cost of energy needed to maintain a healthy lifestyle creates a significant or unnecessary economic burden

**ENERGY DISPARITIES** are differences in how people relate to, benefit from, and are harmed by energy