LEVERAGING RESEARCH FINDINGS AND EXISTING PA EFFORTS TO INCREASE PARTICIPATION BY UNDERSERVED CUSTOMERS

Consultants’ Recommendations

April 15, 2020
PRESENTATION THEMES

► Findings of nonparticipant studies reveal need to increase services to and participation by renters, moderate income customers, and limited English proficiency (LEP) customers
  - Participation levels vary by group—specific details presented in two residential nonparticipant studies and recent webinar

► PAs have been ramping up efforts in serving these groups

► There are strategies to pursue that address each of these groups and will likely benefit multiple groups

► A more focused plan is needed to address findings of these various research efforts

► Collecting additional data to allow assessment of progress is essential
TARGETED STRATEGIES FOR RENTERS, MODERATE INCOME, AND LIMITED ENGLISH PROFICIENCY CUSTOMERS
## PAs’ renter-specific strategies from 2019-2021 Plan

<table>
<thead>
<tr>
<th>Program Element</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>90% incentives for insulation for rental property owners</strong> of all low-rise buildings (three stories or less) who are willing to complete all recommended insulation and air sealing; 100% incentives for insulation for rental property owners who have 50% or more moderate income tenants</td>
<td>Incentives in market</td>
</tr>
<tr>
<td><strong>Tailored energy savings packages</strong> for renters (and other customers) who do not wish to have a traditional in-home assessment, or who live in a home that does not have major measure opportunities</td>
<td>Energy savings packages available to renters</td>
</tr>
<tr>
<td><strong>A new Residential Coordinated Delivery (RCD) initiative</strong> that creates greater flexibility for PAs to provide a more customized path for larger or more complex multi-unit buildings</td>
<td>Work to restructure services under new initiative is progressing, but not yet complete</td>
</tr>
</tbody>
</table>
RENTERS

opportunities and recommendations for 2020 & beyond

- Increase efforts to reach and enroll owners of smaller multifamily buildings
- Use multiple data sources including the Multifamily Program Census study to compile a database for segmenting and tailoring offers to the multifamily market
  • Eversource and National Grid have been working on this
- Closely monitor the following indicators and developments:
  • Renter participation numbers
  • Uptake on energy savings packages by renters
  • Evolution of services to renters and multi-family building owners and operators under the new RCD Initiative
**RENTERS**

### Available* information

<table>
<thead>
<tr>
<th>Category</th>
<th># of renter participants</th>
<th># of renter participants</th>
<th># of renter participants</th>
<th># of renter participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>in Residential Coordinated Delivery</td>
<td></td>
<td>Moderate income and received weatherization</td>
<td>Customized energy savings packages</td>
<td>Income Eligible Coordinated Delivery</td>
</tr>
</tbody>
</table>

* To be reported by PA in Plan Year Report (in May following preceding program year)

### Additional needs

- More frequent reporting of info to left
- Number of property owners/landlords receiving 90% insulation incentive (reported in 2016-2018 Term)
- Participation, savings, and costs for multifamily program services (previously reported for dedicated MF initiatives in prior Terms), including # of affected projects and units

---

| Table Source | www.ma-eeac.org | Consultants Recommendations March 2020 EEAC Meeting | 6 |
PAs’ moderate income-specific strategies from 2019-2021 Plan

<table>
<thead>
<tr>
<th>Program Element</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>No cost weatherization</td>
<td>Incentive in market</td>
</tr>
<tr>
<td>Simplified communications and seamless, uncomplicated pathways to mitigate</td>
<td>Progress is being made on various relevant enhancements, but additional</td>
</tr>
<tr>
<td>structural barriers</td>
<td>work is needed to achieve full statewide implementation</td>
</tr>
</tbody>
</table>
Opportunities and recommendations for 2020 & beyond

- Revise income verification process; options for further assessment include:
  - Use “heat map” data from nonparticipant study to qualify entire Census Block Groups
  - Use MA Clean Energy Center method, which accesses tax records rather than customer-supplied information
  - Use property value as a proxy for income (Maine)
  - Allow customers to self-certify income (Texas)

PAs have issued RFP for moderate income verification—new process expected by Q3

- Provide enhanced incentives for heating equipment
  - PAs could provide more than double current incentives for select fuel switching measures (e.g., $7,000 more for a centrally ducted heat pump partially displacing an oil furnace)
## Opportunities and recommendations for 2020 & beyond

- **Provide alternative financing options**

| Conduct needs assessment | • Examine need and how best to serve  
<table>
<thead>
<tr>
<th></th>
<th>• Is financing an appropriate solution for these customers?</th>
</tr>
</thead>
</table>
| Further simplify         | • Focus on application process  
|                          | • Automate wherever possible |
| Examine HEAT Loan activity | • Are Energy Specialists and HPCs effectively promoting to all customers?  
|                          | • Are HEAT Loans offered by banks in areas with high % of moderate income residents? |
| Develop additional financing strategies | • Loan loss reserves  
|                          | • Revised lending criteria by banks  
|                          | • Expansion of partnership with Common Good Fund |

- **Truly streamline the customer’s experience**
  - Step back to review opportunities to achieve this from bottom up and top down rather than enhancing incrementally
MODERATE INCOME

► Available information

Statewide Moderate Income Results 2016-2019

Moderate Income Participation in Gas and Electric Programs

► Additional information needs

- # of heating equipment installations for moderate income customers, or other proxy measure
### Limited English Proficiency

#### PAs’ LEP-specific strategies for 2019-2021 Plan:

<table>
<thead>
<tr>
<th>Program Element/Commitment/Order</th>
<th>Known Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Review customer journey for non-English speakers</strong></td>
<td>Study commissioned by PAs completed in October</td>
</tr>
<tr>
<td><strong>Provide more consistent language services via the Mass Save® phone line and in follow-up communications for those customers who communicated that English is not a primary language</strong></td>
<td>Work to complete this is in progress</td>
</tr>
<tr>
<td><strong>Offer additional translated program materials in the most commonly spoken languages across Massachusetts</strong></td>
<td>The PAs are considering which documents should be prioritized for translation</td>
</tr>
<tr>
<td><strong>The Program Administrators shall track and report all readily available Mass Save participant data by ... (3) primary language (DPU Order)</strong></td>
<td>The PAs are tracking and will report on language selection on the Mass Save hotline and page views on MassSave.com in Spanish and Portuguese</td>
</tr>
</tbody>
</table>
LIMITED ENGLISH PROFICIENCY

From 2019 deeper dive on this customer group by Illume

- The study provided:
  - Map of customer journey, focused on customer acquisition
  - No interviews with non-English speakers
  - Primary focus on language; little on culture

- The study recommended:
  - Pay attention to culture
  - Design intersectional programs
  - Use “connectors” within communities
  - Develop workforce with attention to language and culture
  - Develop metrics

“There was often the implication that speaking Spanish was not just about literal communication but about signaling cultural understanding, caring about Latinos, and making customers comfortable.”
—California Energy Commission, 2018
Opportunities and recommendations for 2020 & beyond

- Extend customer journey map to cover full life of interaction, from outreach through post-installation inspections
- Obtain direct input from non-English speakers
- Extend focus beyond language to culture; use cultural network and context; build trust
  - Develop cultural competence specific to target opportunities
  - Build programming, outreach, and partnering strategies that align with and are specific to the culture
- Identify and catalog language capabilities within existing workforces of PAs, CAPs, and relevant CBOs

PAs indicate they’ve made progress to address Illume findings—we haven’t yet discussed the details with them
LIMITED ENGLISH PROFICIENCY

Opportunities and recommendations for 2020 & beyond

- Develop a workforce development plan and deployment strategy that creates a diverse workforce positioned to serve LEP populations and increase their participation
  - PAs have historically underspent on workforce development

<table>
<thead>
<tr>
<th>Year</th>
<th>Electric Spending</th>
<th>Gas Spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2018</td>
<td>66% of goal</td>
<td>19% of goal</td>
</tr>
<tr>
<td>2013-2015</td>
<td>27% of goal</td>
<td>22% of goal</td>
</tr>
</tbody>
</table>

- According to one survey,* more than 1/3 of Hispanic/Latinx respondents felt it was “extremely important” to be able to conduct business in their preferred language
- PA-commissioned Workforce Development Needs Assessment confirms need; findings need to be operationalized into a plan—PAs issuing RFP to do so this spring

*Center for Sustainable Energy, 2018
# LIMITED ENGLISH PROFICIENCY

## Available* information

<table>
<thead>
<tr>
<th>Language selection on the Mass Save hotline</th>
<th># of page views of MassSave.com in Spanish and Portuguese</th>
</tr>
</thead>
</table>

* To be reported by PA in Plan Year Report (in May following preceding program year)

## Additional needs

| # of customers with limited English proficiency (LEP) receiving a Home Energy Assessment |
| Measure installations by LEP customers, disaggregated to allow analysis of patterns of service by geography and/or language |
| # of Energy Specialists, HPCs, and Independent Insulation Contractors with proficiency in languages other than English: by language and geography |

* To be reported in Plan Year Report following preceding program year.
MUNICIPAL AND COMMUNITY PARTNERSHIP STRATEGY

► Key strategy included in 2019-2021 Plan for addressing target populations
  - As of January is up and running with seven municipal partners for 2020: Chelsea, Framingham, Lancaster, Lawrence, Methuen, New Bedford, and Pittsfield

► Initial effort does not fully address expressed stakeholder input and interests, e.g.:
  - Larger number of participating municipalities
  - Different incentive levels and criteria for achieving them
  - More innovative pathways that partnerships could follow
  - Data collection mechanisms that allow assessment of whether increases participation by target populations

► Important that PAs collect feedback, lessons learned, challenges, and recommendations for improvement and present roadmap for revising and scaling up for future
SUMMARY OF RECOMMENDATIONS

► Develop a detailed and dedicated implementation plan for increasing services for and participation by renters, moderate income, and LEP households

- Provide strategies that specifically respond to recommendations from nonparticipant studies and Non-English Speaker Benchmarking & Customer Journey – Findings Report
- Use positive correlations among renters, moderate income, and LEP households to develop intersectional outreach strategies and program designs
- Use participation analysis and data to target geographic areas with high proportions of subject populations
- Engage relevant stakeholder groups in development process
SUMMARY OF RECOMMENDATIONS

Collect data that allow for assessment of progress in increasing participation in savings in the near and longer term

- Key performance indicators
- Redo core elements of nonparticipant analysis and report results on annual basis using 2019 findings as baseline

Conceptual example of how progress over time could be presented, from Residential Customer Profile Study 2013-2016 stakeholder summary

<table>
<thead>
<tr>
<th>Year</th>
<th>Location participation</th>
<th>Savings achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>Location A: 153,276</td>
<td>Savings 1,234</td>
</tr>
<tr>
<td>2014</td>
<td>Location B: 670,198</td>
<td>Savings 789</td>
</tr>
<tr>
<td>2015</td>
<td>Location C: 920,661</td>
<td>Savings 456</td>
</tr>
<tr>
<td>2016</td>
<td>Location D: 18,645</td>
<td>Savings 321</td>
</tr>
</tbody>
</table>
More details on these recommendations and others for the Residential Sector may be found in the Consultants’ December 2019 white paper