October 15, 2018

Commissioner Judith Judson, Chair, MA EEAC
Massachusetts Department of Energy Resources
100 Cambridge Street
Boston, MA 02114

--- Submitted electronically via ma-eeac@mass.gov ---

RE: Joint Response to September Draft 2019-2021 Three Year Energy Efficiency Plan

Dear Commissioner Judson and Members of the Energy Efficiency Advisory Council:

The undersigned represent advocates for energy, the environment, environmental justice, communities and citizens, together with our partners in business and labor. We write today to urge you to require that improvements suggested herein be made to the September 14th draft Three Year Efficiency Plan before the Council votes at the end of the month.

We thank this body for its dedication to making efficiency a resource for energy users throughout the Commonwealth and for its commitment to and engagement in the planning process. Your diligence is one reason why our state has benefitted so significantly from a nation-leading efficiency program that has, over the course of the last decade, helped customers save money, flattened demand, reduced emissions, and driven economic development.

The Commonwealth is at a crossroads. We, like many other states, are presented with the opportunity to advance a robust energy efficiency plan that exhausts traditional cost-effective savings measures (e.g., LED lighting, insulation and air sealing, and efficient appliances). However, it is also time to leverage these impressive programs to support innovation and advance technologies capable of significantly ratcheting down emissions in line with what legislation enacted this year has enabled - resources like demand response, energy storage, renewable thermal technology/air source heat pumps, and electric vehicles.

Toward that end, we write today to urge EEAC members to consider that a final draft worthy of approval by the EEAC MUST:

1. **Incorporate consultant-recommended savings goals: 2.9% Electric, 1.25% Gas.** We should all be proud of the most recently announced #1 ACEEE rating, but we must also recognize that holding the top spot year-after-year carries less meaning if the achievement is garnered without exhausting all available cost-effective resources, as statute requires. California would surpass Massachusetts in state rankings if the goals proposed in the September draft were to stand (2.47% electric, 1.08% gas). At a minimum, the final plan...
should include the savings goals proposed by the consultants to the EEAC (2.9% electric, 1.25% gas). The consultants’ recommended goals were LESS than what the potential assessment identified as available and goals that take into account concerns raised by the PAs, including loss of savings from lighting in the residential sector.

2. **Eliminate enhanced incentives for conversion to gas.** Amendments to the GCA encourage and enable innovation, yet the September draft relies on conversion to gas to achieve 2% of the proposed MMBTU savings. It is not up to the Council to debate the merits of converting from one fossil fuel to another. Instead, we ask the Council to hold firm to the Council policy position stated last spring - that, while there may be some exceptions to the rule, it is not a prudent use of energy efficiency funds to convert from delivered fuels to gas. Ratepayer dollars should be invested in ways that drives conversion to beneficial electrification when doing so makes sense and NOT in a way that prolongs and/or increases our consumption of gas. The plan should emphasize and support beneficial electrification where applications make most sense for the customer (e.g., oil heated homes, electric resistance heated customers, new construction.)

3. **Adequately account for impact of efficiency in achieving GWSA compliance.** The urgency of climate action is real. That efficiency helps to mitigate its effects while also cutting customer costs and making homes and businesses work better, should compel the PAs, councilors, and especially the administration to exhaust all available cost-effective resources at our disposal. The Massachusetts-only number detailed in the DOER-commissioned study - a study that the PAs engaged in - should be applied to the 2019-2021 plan.

4. **Eliminate increased performance incentives, especially those coupled with a decreased achievement threshold and instead include a metric tied to renters.** The September draft proposes increased performance incentives, but delivers significantly less in total benefits. In effect, the latest draft includes a proposal to pay more to the PAs for delivering less to consumers. This is done without justification and should be eliminated from a final plan. We support tying incentives to metrics that would induce improved program delivery for low-to-moderate income customers, especially renters and those facing language barriers.

In addition to these revisions we ask the Council to support the requests for greater data transparency, more specificity around proposed initiatives (e.g. language offerings, income verification related to low-to-moderate income program enhancements), a clear plan for electrification in the commercial & industry sector, and a detailed timeline for implementation milestones. These improvements are essential to ensuring the gas and electric efficiency programs are delivered equitably and in a manner that optimizes their impact, including benefits, across sectors and customer segments.
Finally, those of us who attended the September 27th Council meeting were struck by the acknowledgement that although the EEAC consultants had been able to review content of the draft plan, they were not afforded detailed numbers to analyze in advance of the meeting. With this in mind, we also ask that the PAs furnish a final draft plan that includes the improvements stated above, as well as more specificity related to implementation, backed by final numbers in a timely manner so that the consultants to the Council have sufficient time to review, respond, and advise the EEAC in a meaningful way.

A strong efficiency plan built around bold, but achievable targets, a strategy that includes a clear timeline for implementation, a plan that properly incorporates carbon emissions reductions into cost effectiveness, that improves service to renters and moderate income households, and that compensates program administrators without needlessly burdening ratepayers is one worthy of your approval. This is what we ask you to require.

If you have questions about these comments, please contact Eugenia Gibbons, eugenia@greenenergyconsumers.org.

Sincerely,

Green Energy Consumers Alliance
350 Mass for a Better Future
Berkshire Environmental Action Team (BEAT)
Boston Clean Energy Coalition
Climate Action Now, Western Mass
ClimateXChange
Coalition for Social Justice
Conservation Law Foundation
Environmental Entrepreneurs (E2): New England Chapter
Environmental League of Massachusetts
Marion Institute - Southcoast Energy
Mass Climate Action Network (MCAN)

CC: Members, Energy Efficiency Advisory Council
Program Administrators: Berkshire Gas, Blackstone Gas Company, Cape Light Compact, Columbia Gas, Eversource, Liberty Utilities, National Grid, Unitil