



MASSACHUSETTS
INTERFAITH POWER & LIGHT

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March 15, 2016

Commissioner Judith Judson
Chair, Energy Efficiency Advisory Council
MA Department of Energy Resources
100 Cambridge St., Suite 1020,
Boston, MA 02114

Re: Mass Save Services for Houses of Worship

Dear Chairperson Judson,

ADVISORY BOARD

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Massachusetts Interfaith Power and Light is a 501(c) (3) non-profit whose mission is to provide a faith based response to climate change. One of the ways we fulfill our mission is by providing comprehensive facility energy assessments for houses of worship (HOWs) with recommendations for saving energy by changing behavior and upgrading facilities and energy systems. We now have 235 faith community members in over 100 Massachusetts cities and towns.

In January, 2015 we submitted testimony to the Energy Efficiency Advisory Council (EEAC) regarding inadequacies in the way Mass Save programs serve houses of worship. In short we said then that because HOWs are served by the Small Commercial and Industrial Direct Install program, Mass Save measures provided to them were essentially, as a practical matter, limited to providing lighting upgrades.

We are very pleased that in the 2016-2018 Three Year Energy Efficiency Investment Plan National Grid is "*developing a prototype approach for serving a particular subset of non-profit commercial customers -- houses of worship. That prototype will be developed and tested within National Grid's own service territory using a phased approach....*" (p. 141). We commend National Grid for recognizing the untapped energy savings potential at HOW's and for developing a prototype program which we understand will be rolled out in a matter of weeks.

We understand that the program will include a web page and direct mailing dedicated to HOWs, and a single vendor contractor who will be responsible for answering phone calls, performing gas and electric audits and acting as a "navigator" helping customers learn what opportunities exist, and what technical and financial support is available. We hope that NGrid's integrated program will enable HOWs to access a broad array of electric and gas savings opportunities including thermal envelope improvements that until now were rarely accessed. Additional details of the energy efficiency measures and financial incentives that will be included have not been made available to us.

We strongly urge National Grid to incorporate the following elements into the HOW prototype program, and urge Eversource and the other Program Administrators to join in the program or develop their own modeled on it.

1. The availability of zero or low-interest loans up to \$500,000 and ten years, for the full cost of replacing electrical or gas equipment.
2. Financial incentives greater than the 50% to 70% currently offered and at least 90%.
3. The preparation of a comprehensive energy assessment report identifying all electric and gas energy savings opportunities including upgrades to HVAC systems, kitchen equipment, the building thermal envelope, and hot water heating equipment; and
4. The use of technical assistance consultants to examine all savings potentials from both gas and electric savings opportunities including those measures now requiring a Custom Retrofit Application;

As the description of the C&I Existing Building Retrofit program in the new plan states, "To identify and quantify custom opportunities, the PAs provide customers with **expert technical assistance**....from a pool of prequalified expert private sector engineering consultants. To move customers to action once opportunities have been identified, the PAs offer **financial incentives that are calibrated to match customer investment criteria**. The overarching goal is to instill customer confidence in projections of project savings and the reliability of equipment performance, in order to make the financial investment attractive...." (p. 144- emphasis added).

Under existing residential programs homeowners are eligible for zero interest loans up to \$25,000 for up to ten years for a variety of measures including oil to gas conversions, upgrades to existing gas and electric HVAC systems and the installation of Energy Star windows. HOW's which are billed residential and generally use residential scale boilers and furnaces are not eligible for loans for oil to gas conversions.

Even for upgrades of existing gas-fired heating systems, HOWs may only consider savings for the cost of the difference between a standard (82%) efficient system and a high efficiency (92-95%) system for purposes of determining the cost-effectiveness of the upgrade. So even though HOW's pay into the residential gas programs, their ability to obtain zero interest loans is much harder than it is for a resident, because the costs of system upgrades for HOWs are much higher (in the \$75,000 to \$500,000 range), and the savings allowed to be claimed are arbitrarily constricted to the 10 to 13% range.

These are not financial incentives calibrated to match customer investment criteria. Rather they often make critically needed upgrades with major cost and energy savings potential prohibitively costly. We strongly urge the Program Administrators to consider the actual cost and energy savings of electrical and gas equipment upgrades. If it is necessary to limit preferred financing of certain upgrades, zero or low interest loans should be made available for all systems then operating below a specified efficiency

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(e.g. 75% for HVAC systems; or thermal envelope improvements to buildings below current code requirements for insulation and air sealing for new buildings.)

A study of urban houses of worship indicates that more than 90% of them also provide some form of social service, such as food or clothing programs, day care centers, homeless shelters or no-cost space for 12-step programs or other community organizations. In recognition of that fact, the Cape Light Compact provides financial incentives up to 100% for electricity savings measures for houses of worship providing such services. We urge the other PAs to do likewise.

It is well recognized that because HVAC and other energy efficiency upgrades afford longer returns on investment than lighting upgrades it is important to consider combining all savings measures. A requirement that a comprehensive report be prepared identifying all electric and gas savings opportunities will ensure that valuable opportunities are not overlooked.

Finally the requirements of the existing "Custom Retrofit Application" are very technical. We have been able to complete them and obtain incentives after HOWs have been incorrectly told that such incentives were not available. We will continue to provide thorough reports to HOWs and provide them with assistance accessing MassSave programs and incentives. At the same time, the provision of expert technical assistance by the PA's will result in greater energy and cost savings at HOWs and help to meet the goals for the currently underserved small C&I sector.

Please let me know if we may provide you with any additional information.

Thank you.

Sincerely,



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Executive Director
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cc: Amy Boyd, Acadia Center
Richard Malmstrom, Dana Farber Cancer Institute
Nancy Seidman, MA Department of Environmental Protection
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