To: Members of the EEAC

From: Jim Nail, President, Massachusetts Interfaith Power & Light

RE: Public comments on the draft 3-year plan 2019-2021

We fully support the "Customer-centric approach" proposed by the Program Administrators that "recognize that customers are not all the same." We agree that energy efficiency programs "must offer designs that meet customers in different moments and circumstances and that respond to different customer values." We also agree that it is especially important "to provide attractive offers for populations currently identified as hard to serve..." (p. 28)

However the plan currently lacks important specific information in several areas that the revised plan must address, including:

- Which segments will be addressed? Other than listing "renters, moderate income customers, small businesses, and non-profits", the plan give no indication of the priority of these segments, or any indication that analysis has been done to determine past participation and future potential among these or other segments.
- What barriers need to be overcome? The plan should detail the obstacles and barriers that the program has identified, either through experience over the past three-year plan or uncovered through market research.
- How will new programs be structured to be more appealing? The plan should lay out a strategy to reshape the incentives, change the engagement process, and revise other factors that have limited participation by these segments in the past.
- How will these segments be reached, engaged, and delivered effective services? The draft plan acknowledges the need "to continually refine outreach, intake and program offerings to maximize customer capture." However, the marketing section focuses on "effective messages and an all-inclusive media plan" but makes no mention of strategies such as finding influencers and networking with organizations that may have more contact and credibility in these segments. Because these groups are harder to reach and have lower energy use than large C&I customers, for example, more creative approaches must be employed to be successful.

Non-profits in general, and houses of worship, in particular have several unique factors that a new program design should address.

- Need for financing: By their nature, non-profits have limited access to working cash and because they often don't have credit reports, it is challenging to obtain loans. While the draft plan notes that financing has not been impactful overall in motivating participation in the C&I sector, it will be highly motivating in this sector.
- Need for contractors willing to work in this sector: Houses of worship in particular can be challenging to work with due to their long, consensus-driven decision-making process. In our experience, the Direct Install...
contractors have often been reluctant to work in this sector and two of our members were recently told that houses of worship don’t qualify for incentives, presumably because this contractor did not want to work with them.

- An easy process: Volunteer leadership has limited time and often the process requires several calls to be connected to the right contractor. Instead, a program that provides a list of approved contractors that allows the volunteer to select from would be a more efficient program for these ratepayers.

- Large potential reductions: Lack of cash and volunteer leadership means these organizations often have old systems that have not been maintained well. We often see 40 year old and older heating systems in poor condition and many inefficient steam systems. We commonly see a 50% reduction in fuel use when we work with members on upgrades. But contractors only look at annual energy use and have told us that it is too small, not taking into account this level of inefficiency that could result in larger savings than a residence or small business whose systems are not as old.

- Effective marketing channels: While trying to reach houses of worship individually would be challenging for the PAs, Massachusetts Interfaith Power & Light has the contacts, credibility, and track record to deliver energy reductions. We often collaborate with other organizations such as HEET, Mass Energy, and Power Options that have similar networks in other hard-to-serve segments, so we know that the PAs could develop a highly efficient and effective network by partnering with the right organizations.

This is an example of the level of detail we believe is necessary in the plan to understand the PA’s level of commitment to, understanding of, and ability to be successful in ensuring that these ratepayers derive benefits from their contribution to these programs.

In addition, we urge the EEAC to increase the focus on decreasing carbon emissions. While the draft plan documents the environmental benefits of the energy efficiency programs, it does not directly set goals for carbon reductions. As important as reducing electricity and gas usage is to managing the energy infrastructure in the state, the impacts from climate change that we are already seeing demand more aggressive action. Incorporating carbon reduction into the goals of the energy efficiency programs would make an even greater contribution to accomplishing the goals of the GWSA.

Thank you for your consideration of these comments. I look forward to reviewing the revised plan.

Sincerely,

James D. Nail
President
Massachusetts Interfaith Power & Light