



MEETING MINUTES

Wednesday, July 15, 2020
Virtual Meeting via GoToWebinar

Councilors Present: Greg Abbe, Marie Abdou (for Chris Porter), Cindy Arcate, Jo Ann Bodemer (for Maura Healey), Amy Boyd, Monica Cohen (for Elizabeth Cellucci), Justin Davidson, Maggie Downey, Charlie Harak, Elliott Jacobson, Paul Johnson, Deirdre Manning, Maggie McCarey (Chair), Chris Porter, Robert Rio, Stephanie Terach, Mary Wambui, Sharon Weber (for Martin Suuberg), Brooks Winner (for Cammy Peterson)

Councilors Absent: Michael Ferrante, Jane Lano

Consultants Present: Eric Belliveau, Adrian Caesar, Adam Jacobs

DOER Staff Present: Rachel Evans, Emily Powers

1. Call to Order

McCarey, as Chair, called the meeting to order at 1:05 PM.

2. Public Comment

Alex Papali (Green Justice Coalition)

Papali, on behalf of the Green Justice Coalition, provided public comment regarding racial inequity and Council discussion on equitable program implementation. Papali suggested that program success be measured by geographic saturation and equity, and the Program Administrators (PAs) face financial disincentives for inequity in program delivery. Papali listed recommendations for implementing more equitable programs including expansion of the moderate income classification to 120% of State Median Income, strategy on incentivizing landlord participation, accelerating Mass Save advertising and customer support in non-English languages, more incentives for cooling systems, and the incorporation of customer demographics into performance incentives mechanisms.

Steve Cowell (E4TheFuture)

Cowell noted that E4TheFuture, the Building Performance Association, and Department of Energy are working to update blower door protocols by the end of the week. Cowell also indicated E4TheFuture is working with stakeholders across many jurisdictions to optimize technical standards for heat pumps.

3. Council Updates & Business

McCarey noted the reversion to verbal Public Comment, but still encouraged the submission of written comments. McCarey also instructed Councilors to abide by EEAC Ground Rules, particularly to remain on topic and limit comments to three minutes.

Virtual Meeting Procedure Review

McCarey provided a review of the virtual meeting procedures during COVID-19, which included the following:

1. The Council meetings would be recorded
2. All attendees except for Councilors and presenters would remain muted for the duration of the meeting
3. Councilors would hold comments until the end of presentations, but Councilors and other participants should speak instead of using any chat functionality
4. Councilors who disconnect from meetings need to announce when they rejoin.
5. All Council votes would be taken by a roll call for accuracy.

EEAC Ground Rules Review

McCarey noted the EEAC Ground Rules were reposted, and reiterated that Councilors need to follow them in order to foster respectful discussion.

June 4, 2020 EEAC Executive Committee Meeting Minutes

Boyd motioned to approve the minutes as submitted. Jacobson seconded. All were in favor, with none opposed. Bodemer abstained. The minutes were approved, as submitted, by the Executive Committee.

June 29, 2020 EEAC Special Meeting Minutes – Performance Incentive Mechanisms

Harak, Winner, and Rio indicated they were absent for the Special Meeting on Performance Incentives Mechanisms, while Jacobson said he was present.

Abbe motioned to approve the minutes as amended. Boyd seconded. All were in favor, with none opposed. Bodemer, Harak, Rio, and Winner abstained. The minutes were approved, as amended, by the Council.

May 20, 2020 EEAC Meeting Minutes

Harak motioned to approve the minutes as submitted. McCarey seconded. All were in favor, with none opposed. Bodemer abstained. The minutes were approved, as submitted, by the Council.

4. Mass Save Program Implementation During COVID-19: Update

Program Administrator Presentation

Kane and Gibbons, on behalf of the PAs, provided an update on health and safety protocols for contractors, customer perspectives on COVID-19 and resumed energy efficiency work, and near-term priority efforts for increasing project pipeline.

Council Discussion

McCarey was pleased that the amount of renter Virtual Home Energy Assessments (VHEAs) were tracked. McCarey asked if VHEAs were offered in languages other than English. Kane said they are only offered in English now. Wollenburg suggested one lead vendor has audits in Spanish and Portuguese.

Arcate wondered if PAs should focus on business sectors, such as hospitals and senior living centers, that will be impacted most heavily by COVID-related HVAC requirements. Gibbons replied that the PAs are strategizing with vendors and health experts to determine which building types would experience the highest COVID-related energy impacts. Arcate said the Massachusetts PAs should show leadership by using energy efficiency to reduce impacts of the pandemic and potentially save lives. McCarey added that the Department of Energy Resources (DOER) has considered partnerships to target nursing centers, hospitals, schools, and other establishments with higher COVID-19 risks. Gibbons said the PAs will collaborate with other experts, but will avoid making any health and safety recommendations. Arcate responded that they need to actively apply energy efficiency (EE) expertise in conjunction with health expertise, instead of being reactive to new developments. McCarey said the PAs should include an update on EE-related health and safety efforts in the August meeting.

Abbe highlighted the need to conduct blower door testing safely, and also consider how to do blower door test in single-family and multifamily buildings. Abbe indicated that Department of Housing and Community Development (DHCD) tenants are a vulnerable group, so there is a strong need to determine if initiatives are causing any adverse health effects.

Johnson asked what outreach has been conducted to customers with active contracts. Kane responded that outreach was performed via follow-up calls, emails, and letter mail; however, Kane was unsure what percentage of customers with open contracts have been contacted. Johnson questioned the accuracy of VHEAs and did not recommend they supersede in-person audits. Kane said the virtual assessments have been well-received by customers, but no metrics of their accuracy are available. In addition, Johnson asked why only 6% of virtual audit customers were renters, while renters comprise about 30% of the population. Wollenburg suggested that the reported VHEA data focused on 1-4-unit buildings with market rate customers, where renter rates are lower. Wollenburg added that the PAs are assessing whether virtual audits are a reliable tool for increasing renter participation. Porter clarified that the PAs are not looking to replace in-person audits, but cost efficiencies associated with virtual audits make them a valuable tool.

Wambui requested a breakdown of residential program activity by city, against which the Non-Participant Study could be compared. Wollenburg said the PAs can try to provide breakouts by city.

Harak noted that technology access limitations may exist for renters, limited English proficiency (LEP), and income eligible customers, and was relieved that virtual audits will not supplant all in-person audits. Harak agreed with Arcate's recommendation that PAs use energy efficiency to mitigate negative COVID-19 impacts wherever possible.

Winner indicated that a continued gap between homeowner and renter audits will lead to missed savings opportunities, particularly those stemming from 100% incentives. Winner also said there is a crucial connection between energy efficiency and health which the Council and PAs need to understand and explore.

McCarey asked if the 100% weatherization incentive would continue past the end of July. Kane said the PAs are considering extension of the enhanced incentives.

Gundal said the PAs will continue to collaborate with health experts to incorporate changing health requirements into energy efficiency protocols. McCarey said they should explore relationships between health, safety, and energy efficiency more than ever now.

5. Mass Save 2019 Plan Year Report Discussion

Council Discussion on Residential Energy Optimization

Winner asked how achieved Residential Energy Optimization (EO) savings and participation compared to what the PAs envisioned at this time in the Three-Year Plan. Winner marked oil boiler replacements and heat pump installation numbers as surprising. Wollenburg said the PAs are substantially exceeding some of the Res EO goals, such as replacement of delivered fuel heating systems with heat pumps. Winner asked why delivered fuel systems were replacing other delivered fuel systems. Wollenburg said they were still incentivizing higher efficiency delivered fuel systems, so these replacements were expected.

McCarey asked for an update on the customer cost calculator and logic model. Wollenburg said the logic model is meant to guide energy specialists through discussing upgrades with customers. Wollenburg added that the Clean Energy State Alliance was developing a similar cost calculator, but difficulty in collaboration has delayed the project completion timeline.

Wambui commented that ideas like Res EO should be defined with clear language so all stakeholders and customers can understand them. Porter explained that EO is a philosophy of reducing customer total energy use in a fuel neutral way, which is why more efficient delivered fuel systems are incentivized if they provide savings. Wambui asked to see the EO-related marketing materials and how fuel neutral upgrades are recommended to customers. Bodemer also wanted to see what recommendations were being made, as she feared PAs were not promoting certain heat system upgrades.

Bodemer suggested that the upcoming Three-Year Plan includes increased alignment with State climate and greenhouse gas emissions mandates. Given the incentives for delivered fuel system replacements, Bodemer said EO is not aligned with State climate goals.

Weber was concerned by the high number of delivered fuel system installations and the stagnant number of heat pump recommendations. Kane suggested that contractors are knowledgeable about which upgrades are appropriate. Weber asked how customers will be educated on benefits of heat pumps and other measures in the absence of the cost calculator. Kane said there is substantial information on heat pumps and benefits of various heating systems, and updating the Mass Save website will be helpful.

Johnson asked why an energy specialist would recommend a boiler or furnace before a heat pump or weatherization. Song said the specialists make the recommendations that are most appropriate given the customer's current situation. Johnson indicated that customers have a propensity to replace heating systems if an insulation job would cost the same. McCarey clarified that specialists recommend fuel switching and weatherization whenever those upgrades are viable.

Abbe was surprised by the number of New Construction delivered fuel projects, and asked if there were incentives for strategic electrification here. Wollenburg said the Green Communities Act requires pursuit of all cost-effective EE upgrades, which results in some delivered fuel systems in New Construction. Wollenburg added that incentives are higher for new electrically heated homes as opposed to delivered fuel homes. Porter suggested less efficient delivered fuel systems would remain in operation without incentives for delivered fuel system upgrades.

Boyd was frustrated by the heating electrification results as well as the absence of climate goal alignment with EO. Wollenburg reiterated that Residential heat pump installation goals have been exceeded, though there will be further discussion on goal setting moving forward.

Council Discussion on C&I Energy Optimization

Weber asked how the PAs plan to increase C&I fuel switching and EO, given the low amount of fuel switching retrofits reported. Gibbons said the reported data was incorrect to an extent, as they do not collect existing condition information in the upstream pathway, so more fuel switching may have occurred. Weber also worried that the goal for installed heat pumps would be far too low relative to the 2019-2021 Three-Year Plan goal. Song said the PAs should be launching an enhanced, prescriptive incentive for C&I customers that will boost fuel switching. Gibbons noted that the recent drop in gas prices will be a large impediment to mobilizing fuel switching to electric.

McCarey asked if the prescriptive incentives will be exclusive to delivered fuel customers. Song replied that the standard offering would be \$250 per ton reduced GHG emissions for gas to electric and \$1,250 per ton for delivered fuel to electric conversions.

Council Discussion on 2019 C&I Results

Winner wondered if the PAs were considering enhanced incentives for municipalities, such as prescriptive heat pump incentives or small business special offerings. Winner also noted that the Metropolitan Area Planning Council (MAPC) would gladly market such incentives. Gibbons said the incentives are robust, so they will not differ among customer bases, but the PAs are open to collaboration on marketing. McCarey said the PAs should provide a status update for the non-profit and municipal partnerships.

Johnson asked what additional funds, staff, or strategies have been employed in order to improve C&I Energy Optimization the past two years. Johnson used inappropriate language when asking for information, and McCarey instructed him to avoid profane language during Council meetings. Gibbons said the PAs are rolling out a prescriptive heat pump offering with increased incentives to support electrification efforts.

Council Discussion on Renter, Income and Language Reporting

Wambui indicated the Equity Working Group conducted an initial meeting and have selected Wambui and Peterson as co-Chairs. Wambui said the Group will invite stakeholders to participate in meetings, but other interested participants to reach out to DOER.

McCarey noted the DPU did not approve a renter-based performance incentive metric, it did require PAs report participation data related to renter status, language, and income level. This new data was included in the 2019 plan-year report for renters and language and income-based data.

Harak hoped the data on underserved populations would be reported frequently so effective strategies could be developed. Wambui said participation by zip code would be helpful. Harak agreed, and thought that more granular building size data would be beneficial.

Boyd said the PAs should report savings for each participant group. Wollenburg responded that each reported participant installed at least one measure. McCarey added that the reported savings should distinguish Single Family and Multifamily participants.

Winner anticipated that, in collaboration with the Equity Working Group, the PAs would find creative ways to address inequity issues. Winner emphasized that systemic racism impacts customers in many ways, so acknowledging systemic injustices will be a crucial component of equitable program delivery.

Johnson asked what specific strategies will be implemented to mitigate inequity in programs. Wollenburg indicated that targeted marketing and outreach, legislative support, and updated building codes are some potential solutions the PAs will explore.

Abbe recommended the PAs include whether Income Eligible participants live in or measures were installed in Public Housing Authority buildings since implementation strategies differ between privately held buildings and buildings inhabited by Income Eligible customers or renters.

Arcate inquired about lease arrangements in which landlords and tenants can share savings. Arcate noted the PAs and Equity Working Group should consider such strategies to overcome the split incentive problem. Belliveau said the Institute for Market Transformation has developed green leasing models that include shared savings.

6. 2022-2024 Three-Year Planning

McCarey gave an update on upcoming Three-Year Planning items, and noted the Executive Committee moved forward with facilitator procurement for the workshops. McCarey added that

the August Council meeting will be Income Eligible-focused, but potential Three-Year Planning workshop topics will be discussed.

7. Adjournment

McCarey, as chair, adjourned the meeting at 3:59 PM.