



## **EQUITY WORKING GROUP MEETING MINUTES**

**Thursday, May 26, 2022**  
Virtual Meeting: Zoom

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**Meeting Attendees:** Maggie McCarey, Cindy Arcate, Charlie Harak, JoAnn Bodemer, Mary Wambui, Maggie Downey, Cammy Peterson, Stephanie Terach, James Collins, Ruth Georges, Danilo Morales, Marie Abdou (representing Amanda Formica), Anxhela Mile (representing Caitlin Peale-Sloan), Cindy Luppi, Margie Lynch, James Collins, Ruth Georges Adrian Caesar, Eric Belliveau, Jerrold Oppenheim, Danilo Morales, Alissa Whiteman, Briana Kane, Katelyn Mazuera

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### **1. Call to Order**

McCarey, as Chair, called the meeting to order at 10:14 AM.

### **2. Updates: Renter Strategic Plan, Community First Partnerships, Language Access Plan**

Mazuera and Georges, on behalf of the program administrators (PAs), provided updates on the Community First Partnerships. Georges indicated that formal agreements are still in progress, but Community First Partners have been supported in developing custom websites for their respective communities that then connect customers to the Mass Save website. Georges added that engagement and training activities have kicked off with Community First Partners and outreach to the second cohort will seek to enroll new partners by January 2023.

Luppi learned of a traveling trailer for public education on energy efficiency being implemented in Connecticut. Luppi asked if similar tools could augment Community First Partnerships or be deployed in areas without Community First Partners. Georges replied that the traveling trailer is part of the Connecticut energy efficiency education program, so similar methods could be explored in Massachusetts.

Peterson was pleased by the custom websites for Community First Partners, but was concerned that low- and moderate-income (LMI) customers were missing out on enhanced gas-to-electric fuel switching incentives, as characterized by sustainability staff for a Community First Partner. Peterson noted that Income Eligible customers have a 30% discount on electricity, so the best fuel switching strategy needs to be implemented in target communities. Mazuera said that the

PAs have been considering the best use case for LMI heat pumps, and there is a separate team working on the effort within Eversource. Collins clarified that the PAs were not denying LMI customers fuel switching incentives, but the operational costs after gas-to-electric fuel switching would put many clients in a worse financial position, which is also the case for some oil-to-electric conversions. Collins said the PAs communicate to customers when fuel switching would result in increased operational costs. Peterson said the sustainability staff person would appreciate understanding the thought process and financial analysis behind fuel switching since they currently believe LMI customers are not eligible for fuel switching incentives. Georges said that a workshop on the cost of fuel conversion would be helpful. Peterson agreed, and Mazuera added that the heating comparison calculator is available for reference.

Wambui asked if the PAs are considering how to leverage state and federal funding, such as Weatherization Assistance Program (WAP), to mitigate costs for Massachusetts ratepayers. Collins indicated that the PAs discuss non-ratepayer funding sources often, but if a customer switches to electric heating and no longer meets discount rate eligibility requirements the following year, then the operational cost increase would be substantial. Collins said MASSCAP is looking to ensure stability for clients. Wambui noted that electrification is not taking place in a vacuum, and the PAs should not unilaterally decide for LMI customers whether or not they should fuel switch. Wambui said that such a decision impacts their futures.

Harak said the Community First Partner in Melrose and Income Eligible customer advocates want to avoid adverse bills impacts for fuel switching, but are surprised that LMI customers might be excluded from enhanced incentives. Harak suggested that case studies of individuals wanting to engage in LMI fuel switching would be helpful. Harak believed that LIHEAP could perhaps help those who switch but face higher energy bills, and there have been discussions with the Massachusetts Energy Directors Association to see if LIHEAP funding can cover any increased costs resulting from fuel switching. Harak asked if there could be a specific electrification rate, as proposed by Steve Cowell. Harak also agreed that fuel switching needs to be made feasible for Income Eligible customers. Wambui suggested that significant amounts of state and federal money would become available. Harak said the Legislature may provide funds that can mitigate bill impacts on ratepayers. Collins indicated that LEAN has requested that the Department of Housing and Community Development (DHCD) revise the WAP Plan to include funding for heat pumps. Wambui stated that solar generation is part of broader discussion and encouraged PAs to consider it. Harak said that LMI community solar programs have been discussed for quite some time. Collins responded that the focus has been on community solar due to challenges to individual solar photovoltaic arrays in LMI communities. Downey said that progress on community solar has essentially regressed, especially for income eligible customers.

Georges announced that the Language Access Plan request for proposals (RFP) has been released, and the PAs aim to select a vendor in June after the procurement closes. For the Renter Strategic Plan, Georges said the Equity Working Group shared specific recommendations for outreach strategy, which the PA marketing teams are exploring. McCarey noted that the next Equity Working Group meeting will dive into these topics more. Georges said that Whiteman connected the PAs to two state agencies including the Residential Assistance for Families in Transition (RAFT) Program, with which Georges discussed Mass Save offerings, homeowners assistance funds, and landlord outreach. Georges said the state agencies are also trying to connect

PAs to their first-time home buyer program, as well as supporting direct outreach to target communities. Georges said the PAs are developing renter education materials and educational videos on energy efficiency. Lastly, Georges noted the PAs have engaged with the Boys & Girls Club regarding education efforts, and plan to discuss staff and parent education in June.

Luppi asked if there is a web portal or brochure guiding renters on approaching landlords about energy efficiency upgrades. Georges said the PAs have developed renter-specific materials in the past, but they are working on more detailed guidance for renters as part of the Renter Strategic Plan. Georges said the new materials even describe how renters should consider energy efficiency prior to signing leases, and hoped landlords would better understand the value renters place on efficiency. Luppi noted that Paulina Casasola from Clean Water Action is conducting a field test with her landlord who has received weatherization services and is now considering heat pump conversions. Luppi suggested that Casasola may reach out to the PAs in an effort to complete case studies and a blog series on landlords and tenants who complete energy efficiency upgrades.

McCarey asked if the RFP for the Language Access Plan could be shared. Mazuera could not confirm whether the RFP could be shared, but would check. McCarey asked what outreach has been conducted for RFP. Georges indicated the PAs researched organizations that have completed similar plans, and while none have developed them specifically for energy efficiency programs, many have done them for universities, municipalities, hospitals, and other customer types.

Lynch asked if the Equity Working Group's program design revisions would be included in the Renter Strategic Plan. Georges said the PAs and their internal Renter Working Group will respond formally to all feedback and note whether program design recommendations can proceed or not.

### **3. Overview of Q1 Data**

Lynch provided an overview of progress on Equity Targets detailed in the 2022 Q1 Report. Lynch noted that the key performance indicators (KPIs) are reported in both PDF and spreadsheet form, the latter of which may include incorrect baseline data for 2019. Lynch said that two weatherization jobs and three heating system replacements were reported in Q1 statewide. Lynch indicated that the majority of equity targets would be reported on an annual basis. Lynch added that the baselines and percent increases in environmental justice community investment still need to be established, but the PAs have proposed using 2016-2018 as the baseline since this is consistent with the performance incentive mechanism's baseline. Lynch said there are Council priorities on equity and workforce development. For data, Lynch stated that all moderate-income measures have been disaggregated by fuel type in the benefit-cost ratio (BCR) models, and there is a new KPI which reports completed Income Eligible weatherization and heating system replacement projects. Lynch clarified that equity data reported in Q1 is a work in progress, as Community Action Program (CAP) service territory-level breakouts are still being developed.

### **4. Moderate Income Program Updates**

### ***Income Verification and Customer Portal***

Mazuera indicated that the PA slides cover highlights for enhanced incentives, income verification screening methodologies, the moderate-income customer portal, and Community First Partnership communication and outreach efforts. Mazuera added that the PAs are looking to offer the moderate-income portal in Spanish and Portuguese as well.

Harak asked for clarity on third-party income verification. Mazuera said this method involves using CLEAResult's proprietary process and third-party purchased data to determine whether the customer may be Income Eligible.

Peterson suggested that income verification process needs to be simpler and faster for customers. Mazuera said the customer portal and additional screening methodologies should work to this end. Peterson said the income verification options still seem complicated, but hoped to better understand ways to increase enrollment after launching the new portal and verification methodologies. Peterson suggested that verifying income using census tracts or geographic indicators might be useful, since it did not seem the new verification pathways would result in moderate-income participation goal achievement.

Harak said the vendors have access to customer data, so they should be able to streamline the income verification process. Harak said the third-party verification approach implemented by Eversource in Connecticut is about 90% positive. Mazuera said the Form 4506-C process is also streamlined since it allows the Internal Revenue Service (IRS) to leverage customer tax information.

Wambui cautioned against adverse outcomes of leveraging big data for income verification, including wrongful or unintentional exclusion of customers. Wambui suggested that the focus is on refining income verification processes since people in need of support often miss out on program benefits.

Luppi wondered if customers could contest the status of their ineligibility to avoid wrongful exclusion. Mazuera said the document review process will include all submitted customer documentation so the PAs will have it on record. McCarey asked if the PAs would evaluate and optimize the income-verification processes over time. Mazuera confirmed that the PAs would monitor each new methodology to determine which is best. Mazuera also said that customers would need to verify their income through other means if deemed ineligible by the third-party verification process.

Morales commented that many residents of environmental justice communities do not apply to programs because they are tired of repeatedly proving that they are Income Eligible. Morales said that different institutions and programs require repeated income verification, so the verification methodologies need to be improved.

Wambui suggested that the program will not succeed without a handholding aspect, as many people need to be guided through program applications. Wambui hoped there would be a commitment to direct outreach and meaningful follow-up with customers in order to drive

participation. Wambui was opposed to new income-verification and application pathways without a promise to guide applicants. Mazuera said the presentation includes more details on the income-verification methods and how the portal guides customers through the application process.

### ***Moderate-Income Program Implementation***

Mazuera provided a summary of the moderate-income implementation strategies including vendor partner communications, energy specialist engagement with customers, and contractor learning resources on moderate-income offerings.

Lynch commented that the audit interaction is critical since weatherization opportunities are being assessed here, and moderate-income customers are not eligible for enhanced HVAC incentives until weatherization is complete. Lynch asked how energy specialist sensitivity around discussing customer income is being addressed. Lynch reminded participants that enhanced moderate-income incentives have been available since 2016, and results to date do not scale to current goals. Mazuera said energy specialists may be more comfortable with discussing moderate-income offers with customers, but not much has changed from that perspective. Mazuera said the PAs have focused on identifying more moderate-income customers and targeting them for participation, but the energy specialists are still equipped to describe enhanced offerings.

Wambui said the major objectives of reducing energy burdens and consumption need to be kept at the forefront, as opposed to saying conversations about income are difficult or delicate. Wambui referenced Southern California Edison's proactive use of data where they identify and target customers. Wambui said the moderate-income program will not succeed without much handholding and deliberate outreach to residents. Mazuera described three strategies for increasing moderate-income participation including communicating the availability of enhanced incentives, targeting potential moderate-income customers, and follow-up with customers. Mazuera noted that the PA data teams, in collaboration with LEAN and other partners, would work on both targeting and marketing to likely Income Eligible customers. Mazuera also noted that the PAs would leverage existing customer data or pending contracts to inform targeted outreach. Mazuera said direct outreach to customers would largely be driven by Community First Partners and implementation vendors at this stage.

Peterson appreciated the release of information on new offerings, but agreed with Wambui's concern that there is not enough direct PA engagement with customers. Peterson said the PAs need to make direct contact with customers on top of the Community First Partners and contractors.

Lynch asked what incentives are in place to encourage outreach to customers by Community First Partners, since the Partners do not have a specific incentive to increase moderate-income customer enrollment. Lynch also thought that discussion with home performance contractors could include additional incentives for enrollment of underserved customers. Mazuera believed that HPCs are incentivized to encourage more moderate-income and renter participation. Mazuera also said these customers get 100% weatherization incentives, so there is an incentive for customers to income verify.

Peterson continued her earlier comments, noting that the Equity Working Group and other stakeholders recommended a quarterbacking model for moderate-income program delivery. Peterson believed the current model does not employ enough structure to enable customers to adopt enough heat pumps and weatherization. McCarey asked if the PAs considered a quarterbacking model for the moderate-income program. Mazuera asked what the group envisioned in such a model. Peterson said the Equity Working Group described this in last year's recommendations for the 2022-2024 Plan, but reiterated that the moderate-income customer should be guided through the entire process. Mazuera said the process for weatherization is relatively turnkey in Residential Coordinated Delivery (RCD), as contractors are coordinated for the customer and the process is facilitated. Peterson said the RCD program has not served moderate-income customers well, which is the impetus behind recommending a quarterbacking model.

Wambui said the PAs need to be very invested in customer outreach and handholding, as opposed to just the Community First Partners. Wambui has spoken with groups who have applied for Community First Partnerships, and the PAs should consider being more involved. Wambui said energy efficiency is competing with other objectives in customers' lives and everyone needs to recognize this. Wambui suggested that the PAs implement more direct customer outreach to yield results, even outreach that is based on energy usage.

Luppi agreed with Wambui, and especially noted the need for targeted outreach in areas without Community First Partners. Luppi wondered if there is a list of places without Community First Partners that have potential for direct household engagement. Luppi indicated that some stakeholders would be happy to engage in these communities to prioritize energy efficiency as fuel costs rise. Luppi said increasing energy burdens are terrifying, so the need for direct engagement is critical.

Lynch said five of the top ten populous municipalities in the Commonwealth do not have Community First Partners in place, including Worcester. Lynch said reaching the right customers and ensuring successful participation are key objectives. Lynch summarized the customer journey to illustrate how intensive it is for moderate-income customers. Lynch emphasized that customers need to be supported throughout their journey and asked what support moderate-income customers receive that is different from market rate customers, aside from enhanced incentives. Mazuera said the PAs are looking to streamline participation for all customers through new resources including heating and cooling consultations. Mazuera said the heat pump installer network and direct incentives for customers are also strategies to support participation for all customers, including moderate-income customers.

McCarey asked if there is specific pre-weatherization barrier mitigation funding for moderate-income customers. Mazuera said moderate-income customers are eligible for up to \$7,000 in additional incentives for pre-weatherization barrier remediation. McCarey asked if the PAs have facilitation services for customers to connect with contractors. Mazuera said these efforts are newer, and the PAs have a network of remediation vendors, but the customers can also leverage their own contractors.

Mazuera announced that the new income-verification portal is now available, so the PAs are starting to ramp up efforts and moderate-income participation. Mazuera said the PAs are excited to launch the additional customer resources. McCarey hoped the feedback provided today would be helpful for the PAs, particularly for implementing a quarterbacking model for moderate-income customers.

Peterson requested a summary of enhanced incentives in the presentation for heating system replacements, and asked if the incentives would be sufficient for meeting heat pump goals. Mazuera responded that the PAs dedicated much time to setting incentive levels and based them on estimated installed costs. Mazuera said that the PAs can adjust incentive levels if they prove to be inappropriate. McCarey was interested in seeing if the Alternative Portfolio Standard incentives for heat pumps could mitigate moderate-income customer copays.

Collins thanked the PAs for finding new solutions to program implementation issues, and all should continue to strive to achieve more.

Wambui said quality activity needs to be done to produce quality results, since what has been done is not enough. McCarey said the additional tracking and reporting will help assess how new strategies are working. Mazuera said through COVID-19, all customers were receiving 100% incentives so the PAs likely served many moderate-income customers during this time. Mazuera said more robust, granular tracking will be done moving forward. Lynch said the enhanced incentive hasn't been available for over a year, so seeing only two completed moderate-income weatherization projects through Q1 2022 is concerning.

McCarey indicated the July Equity Working Group would focus on review of the Renter Strategic Plan, as well as follow-up on Moderate-Income programs and review of Q1 results.

Downey asked if the next Equity Working Group meeting would be required to meet in-person. McCarey planned to follow-up on whether the next meeting could be remote.

## **5. Adjournment**

McCarey, as Chair, adjourned the meeting at 12:00 PM.

### **Meeting Materials:**

- Meeting Agenda