



MEETING MINUTES

Wednesday, August 17, 2022
Virtual Meeting via Zoom

Councilors Present:	Greg Abbe, Cindy Arcate, Jo Ann Bodemer (for Maura Healey), Amy Boyd, Justin Davidson, Charlie Harak, Elliott Jacobson, Paul Johnson, Deirdre Manning, Robert Rio, Brooks Winner (for Cammy Peterson), Mary Wambui, Sharon Weber, Commissioner Patrick Woodcock, Dennis Villanueva, Cindy Carroll, Michael Ferrante, Brianna Kane (for Maggie Downey), Kate Peters, Hammad Chaudry, Chris Porter, Tim Costa, Stephanie Terach
Councilors Absent:	Paul Gromer, Andrew Newman
Consultants Present:	Eric Belliveau, Adrian Caesar, Gretchen Calcagni, Margie Lynch
DOER Staff Present:	Rachel Evans, Maggie McCarey, Alissa Whiteman

1. Call to Order

McCarey, on behalf of the Chair, called the meeting to order at 1:04 PM.

2. Public Comment

McCarey indicated that public comment would be held during the September EEAC meeting due to the Renter Strategic Plan listening session that was held during the hour prior to the August EEAC meeting.

3. Council Updates & Business

Virtual Meeting Procedure Review

McCarey reviewed the virtual EEAC meeting procedures:

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 function.
4. Councilors who disconnect from meetings need to announce when they rejoin.
5. All Council votes would be taken by a roll call.

July Executive Committee Meeting Minutes

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

July EEAC Meeting Minutes

Weber motioned to approve the July EEAC meeting minutes as submitted. Arcate seconded. All were in favor, with none opposed. Harak and Villanueva abstained. The July EEAC meeting minutes were approved, as submitted, by the Council.

Johnson objected to the cancellation of the public comment period given that two meetings on weatherization pricing, a special EEAC meeting and program administrator (PA) follow-up meeting with contractors, were dismissed.

Other Updates and Business

Commissioner Woodcock stated that August has been an active month for energy policy in Massachusetts and nationally. Commissioner Woodcock said three provisions in Massachusetts have emergency preambles and have been signed into law. Commissioner Woodcock said the provisions restrict fossil fuel incentives beginning in the 2025-2027 Plan except in income-eligible buildings. Commissioner Woodcock also said the provisions clarify that energy efficiency Plans can be bundled with renewable programs, with equity included as a consideration of the Plans. Commissioner Woodcock recommended reviewing the exact language of the provisions and how they might be implemented in practice. On a national level, Commissioner Woodcock announced that the Inflation Reduction Act was signed yesterday, with two important provisions taking effect: the Hope for Homes program and a Zero Net Energy home program targeting low- and moderate-income homes. Commissioner Woodcock said the Hope for Homes program is pay-for-performance with different rebate levels based on achieved energy savings, but residents will be restricted to participation in either program. Commissioner Woodcock noted that the federal program will allocate \$5B in funding to the states through 2031, so the Commonwealth may receive between \$160m - \$180m in total. Commissioner Woodcock expected that the development of program guidelines by the federal Department of Energy would take months resulting in a delay in the disbursement of funding to states. Commissioner Woodcock said infrastructure dollars have not been released to states, so there is caution about creating implementation plans that take the funding for granted. Commissioner Woodcock also expressed concern that the perception of guaranteed funding may cause some houses to defer weatherization and electrification upgrades, so customers should be encouraged to pursue these projects now.

Commissioner Woodcock thanked the Office of the Attorney General and PAs for discussions on preparing for winter energy prices. Commissioner Woodcock anticipated historically high increases in customer bills during the upcoming winter, so the PAs have been working on

communications and geotargeting efforts to support increased weatherization in underserved areas.

Harak asked for projected winter electric and gas retail rates. Commissioner Woodcock believed that retail rates would be higher than ever. Harak said the Legislature has been discussing rising energy bills and the potential for year-round Energy Assistance. Harak asked for follow-up discussion on customer communications and geotargeting efforts.

Rio said retail electricity rates for mid-size C&I customers in Eversource West territory would be \$0.17 cents in October and \$0.32 cents in December.

Wambui appreciated Commissioner Woodcock's updates on the impact of the Inflation Reduction Act and the new Massachusetts climate legislation. Wambui noted that grassroots organizations have posed many questions on how the state and federal programs will interface. Wambui supported communications which make residents aware of Mass Save program benefits.

Winner expressed interest in a follow-up discussion and offered support from the Metropolitan Area Planning Council in communicating program information to prepare residents for winter rate increases.

Johnson asked what was being done to address low weatherization volume and unprecedented winter retail energy rates. Johnson said contractors have needed support to survive, but the special EEAC meeting on contractor pricing and PA-Contractor meeting last week were dismissed. Commissioner Woodcock said the PAs are initiating communications on price increases and geotargeting efforts which will hopefully increase weatherization volume. Johnson said the PAs have been unsuccessful at geotargeting underserved communities for six years. Peters replied that the PAs have implemented new weatherization pricing and are working with contractors to expand capacity and marketing. Peters said that Eversource has three new lead vendor contracts being completed. Johnson asked what specific actions will be taken to increase weatherization volumes in light of the impending winter energy prices. Peters said more details will be provided once DPU filings are developed, but the PAs are implementing tangible efforts to build contractor capacity.

Wambui commented that there are specific and equity targets for serving renters and underserved communities to which the PAs agreed in the 2022-2024 Plan, which represents a major difference from previous Three-Year Plans. Wambui added that the performance incentive was modified to support achievement of equity targets. Wambui said the PAs need to be addressed fairly and justly.

Lyne challenged Johnson's claim about low weatherization volume, as data presented in June indicate there was substantial weatherization activity done in the summer. Lyne clarified that the PAs are actively seeking to complete more weatherization projects.

4. Liberty Mid-Term Modification

Program Administrator Updates

McCarey noted that the C-Team and DOER drafted a resolution for Council review, on the Liberty midterm modification (MTM) request. Since the July EEAC meeting, McCarey said that Liberty has answered information requests. McCarey also noted that a public hearing on the MTM would occur on August 19th. Terach confirmed that McCarey's description of the process was accurate, and that Liberty is working on the fourth set of information requests. McCarey said the deadline for written comment is also August 19th, meaning the EEAC Resolution on the Liberty MTM would need to be finalized at this meeting.

Council Discussion and Vote

McCarey reviewed the EEAC Resolution on the Liberty MTM and the Council made edits based on current feedback and that provided during the July EEAC meeting.

Villanueva asked if Liberty would have a sufficient incentive to continue pursuing other savings opportunities. McCarey responded that no performance incentives could be earned until the standard energy efficiency, electrification, and equity thresholds are met. McCarey said that Liberty did not project any commercial electrification in its 2022-2024 Plan, but Liberty will still be incentivized to overachieve in electrification. Commissioner Woodcock added that electrification will also produce energy efficiency benefits, which contribute to the standard energy efficiency component of the performance incentive. Villanueva said the project is great, but program budgets should be spent accordingly. Villanueva trusted that Liberty would work to exceed goals. McCarey said electrification is reported semiannually by the PAs which will enable progress tracking.

Johnson asked why the draft EEAC Resolution did not include any consideration of weatherization given that it is a requirement for electrification projects. Terach replied that the project only includes process heating electrification, where waste heat from refrigeration would support water heating processes. Johnson asked if the project included components beyond process and water heating. McCarey said the project would not impact Liberty's weatherization targets.

McCarey stated, in response to Arcate's question during the July EEAC meeting, that the project would likely not qualify for Alternative Portfolio Standard (APS) revenues, but DOER would continue research. Arcate appreciated language in the resolution on rate impacts. Arcate asked if the rate increases would be spread over two years. Terach confirmed that this was included in Liberty's filing.

Arcate motioned to approve the EEAC Resolution on the Liberty MTM. Manning seconded. All were in favor, with none opposed or abstaining. The EEAC Resolution on the Liberty MTM was approved by the Council.

5. Multifamily Updates

Consultant Team Presentation

Lynch and Wirtshafter, on behalf of the C-Team, provided an overview of Mass Save multifamily programs, program data analysis, and evaluation, measurement, and verification (EM&V) findings. Lynch described the C-Team's analysis of multifamily programs including

equity provisions, installed measure types, renter participation, and historical and planned program performance. Wirtshafter presented recent multifamily EM&V study results, including the Multifamily Census Study. Wirtshafter said that the Study was used to provide better identification for multifamily properties as well as aggregated multifamily building usage.

Harak asked if any studies have conducted to assess the impact of disclosing energy pricing on tenant decision-making within the housing market. Wirtshafter described practices in Portland, Oregon where people typically do not rent a new building if it is not high efficiency, but 80% of the new buildings participated in energy efficiency programs there. Harak said the saved dollars themselves might not impact rational decision-making given high rent prices, so a tenant's desire to live in an efficient building may be the determining factor. Wirtshafter said if a building owner spends \$50,000 on efficiency and it changes tenant perception of the building, then it sends a signal to the building owner that efficiency upgrades are recognized.

Commissioner Woodcock asked if 80% of new construction buildings were participating in energy cost disclosure in Portland. Wirtshafter confirmed the energy disclosure initiative was voluntary for new construction, but mandatory reporting occurs in other jurisdictions like New York. Wirtshafter said there has not been an impact evaluation conducted on energy disclosure initiatives. Commissioner Woodcock said specific new construction measures could be offered, coupled with voluntary disclosure for those new buildings to make it clear that the buildings are implementing efficiency upgrades.

Wambui asked if the PAs can respond to the C-Team's multifamily recommendations and determine what is feasible. Wambui asked what impact energy disclosure would have. Wambui said that real estate developers are required to comply with the building ordinance and believed renters would eventually participate in energy efficiency and decarbonization programs this way. Wambui noted that annual submission of building data to the City of Boston has created interest in efficiency for building owners. Wambui said the updated Building Emissions Reduction and Disclosure Ordinance (BERDO) has emissions limits which require building owners to consider emissions, so most new construction and existing multifamily projects include energy efficiency. Wambui predicted that building energy standards are likely the future for renter participation as opposed to Mass Save programs.

Arcate asked the significance of condominium owners comprising 50% of multifamily participants. Wirtshafter responded that the previous multifamily program seemed to provide greater participation incentive for condo owners.

Davidson agreed with Commissioner Woodcock that efficient buildings disclosing energy costs should be promoted. Davidson asked how approach #2 to energy scoring, which relied on previous tenant energy use, controlled for tenant behavior or privacy concerns. Wirtshafter said energy scores would be at the building level using average consumption per unit or square foot of rented space.

Winner seconded Wambui's comments about the value of local disclosure ordinances and emissions standards and expressed interest in voluntary energy scoring. Winner cautioned

against voluntary energy disclosure that resulted in an increase in rent prices and agreed with Harak that building energy disclosure should be tied to rent control mechanisms.

Wambui said that many building developers implement a condominium structure to enable more affordable housing development. Wambui noted that many projects in Boston aggressively pursue energy efficiency because they are occupied by the condominium owners, but it cannot be assumed that low- and moderate-income customers are renting in those same buildings.

McCarey said the PAs are developing voluntary energy scorecards for 1-4-unit buildings. McCarey also said the legislation referenced by Commissioner Woodcock included energy disclosure and reporting for large C&I multifamily buildings.

Program Administrator Presentation

Kelly and Lavallee, on behalf of the PAs, presented multifamily program updates. Kelly shared information on the different Residential Coordinated Delivery and Income-Eligible multifamily participation pathways based on their program entry points, delivery method, and incentive offerings for different measures. Lavallee covered current and future strategic outreach efforts, including those in the Renter Strategic Plan, which are geared toward both renters and landlords. Kelly also described supplemental efforts by Eversource to provide direct landlord engagement and community support.

Council Discussion

Wambui commented that the Eversource account management structure is a good strategy and asked whether other PAs have a similar structure in place, because residents have required this structure for years. Wambui noted that market rate customers are still energy burdened and many are struggling with the economic crisis. Wambui asked if an energy bill or energy burden calculator was available as heat pumps are being promoted. Wambui advised the PAs to be proactive about preparing renters and homeowners for energy bills following electrification. Wambui asked if Mass Save was coordinating with the Massachusetts Clean Energy Center and Department of Housing and Community Development as they deploy funding for rooftop solar. Wambui said the PAs committed to augmenting contractor training in the 2022-2024 Plan and hosting at least two workshops annually. Wambui asked what the PAs have done to increase program participation by minority and women-owned business enterprises (MWBES).

Winner appreciated the PAs acknowledgement of the need to break down artificial barriers for customers. Winner said serving bodegas and rental units above them is important and could be a targeted building segment. Winner referenced a project for renter outreach in the City of Framingham. Winner said the program website is an important tool, but it could also be a barrier. Winner said that there is language on the renter web page about increasing the value of landlord property, which would not attract renter participation. Winner asked if the PAs have thought about streamlining the Mass Save website to increase ease of use. Winner supported the emphasis on renter and landlord outreach, but participation barriers need to be lowered through structural changes to program delivery.

Johnson was impressed by PAs use of account management but did not believe that direct engagement with landlords was unsuccessful. Johnson said that 25% of landlords have properties

with code violations, and others would likely be interested in free weatherization. Johnson asked for more details on cold calls and direct engagement methods to understand why landlords were not interested. McCarey directed Johnson to use respectful language to frame his question to the PAs. Porter said the PAs offered 100% weatherization incentives during the pandemic for homeowners, but there was still only a 40% conversion rate during this enhanced incentive period. Porter said there are other barriers and impediments than costs that the PAs are working through. Porter added that the split incentive is a real issue and not unique to Massachusetts.

Weber highlighted that Berkshire had 53% renter participation as shown in the C-Team presentation. Weber asked how Berkshire was able to achieve such high renter participation compared to 2% for some other PAs. Weber encouraged the PAs to think about why only 105 mailed savings packages were delivered from 2019-2021 if this kind of approach would continue.

Abbe asked if the PAs were aware of frequent customer complaints during June and July when utilities typically post new electric and gas rates. Abbe said call centers may be getting complaints about rate increases. Abbe recalled that Baltimore Gas & Electric (BGE) received complaints from thousands of irate customers due to rate increases. Abbe said that BGE was able to convert a large portion of these customers by requesting audits and assigning contractors instead of referring customers to a website. Abbe suggested the PAs would miss a large opportunity by not capitalizing on increased customer call volumes, especially in the face of a potentially unprecedented rate increase. Abbe added that renters would particularly be harmed by the rate increase.

Commissioner Woodcock augmented Winner's comments on targeting buildings based on specific characteristics. Commissioner Woodcock asked if there are building types that are easier to weatherize or electrify based on building age, type, or size. Commissioner Woodcock asked if there are geographic areas that can be targeted and suggested that the PAs describe any successes they have had here.

6. Renter Strategic Plan

Equity Working Group Update

McCarey announced that the Equity Working Group has discussed the Renter Strategic Plan during two meetings since it was released, and a draft EEAC Resolution on the Plan which incorporates public comment and Equity Working Group feedback was shared for Council review. McCarey added that the PAs are also reviewing recent public comment on the Renter Strategic Plan.

Lynch summarized the structure and key recommendations included in the draft EEAC Resolution on the Renter Strategic Plan. Lynch said there were four categories of comments related to the scope of the Renter Strategic Plan, expanded outreach efforts, integrated service delivery for landlords, and multifamily electrification strategy.

Council Resolution on the Renter Strategic Plan – Discussion and Vote

Johnson said there are no penalties for failing to serve renters and asked how the PAs will be held accountable. Johnson appreciated strategy on increasing landlord participation, but asked what will incentivize delivering program services to renters. Johnson opposed the Resolution as it did not seem to consider accountability. Wambui replied that renters are included in the energy efficiency equity targets and the performance incentive was aligned with equity and electrification goals. Wambui said all equity recommendations were not included in the 2022-2024 Plan, but there is a system in place to both reward PA performance and hold them accountable. Wambui also said that failing to meet equity targets would reduce PA performance incentives, which is the first time the performance incentive has included that requirement. Winner agreed with Wambui.

Winner understood Johnson's concerns about the historical failure to serve renters. Winner said the C-Team shared a decade-old evaluation that identified barriers to renter participation still prevalent today, so accountability is important. Winner said the Equity Working Group requested more detail on strategies included in the Renter Strategic Plan, but the fact that a Plan is in place bodes well. Winner noted that the PAs have a meaningful financial incentive in meeting equity targets. Winner suggested that the Council should be constructive and support the PAs by providing insights and recommendations. Wambui said equity work is being done by environmental justice advocates, grassroots organizations, and PAs outside of EEAC meetings.

Regarding natural gas as an eligible pre-existing heating system for fuel switching, Commissioner Woodcock asked whether the PAs currently deem gas ineligible. McCarey said the Multifamily Barriers study did not incorporate the fact that gas-to-electric fuel switching was allowed this year. McCarey said the PAs and LEAN have also been working on income eligible gas-to-electric fuel switching protocols. Porter responded that gas-to-electric incentives are available to all residential customers through the retail program. Porter clarified that the PAs are working to further define income eligible fuel switching protocols as they were not included in the 2022-2024 Plan. Porter indicated that the PAs and LEAN can provide updates once available.

Georges announced that the PAs are finalizing vendor contracting for the Language Access Plan. Georges said the Language Access Plan and other strategies that would increase renter participation were not included in the Renter Strategic Plan, so the PAs can review the 2022-2024 Plan and extract strategies relevant to renters. McCarey agreed that all relevant strategies should be mentioned or at least referenced in the Renter Strategic Plan if there are more details on strategy in other documents. Winner agreed that references to ongoing, unfinished, or any relevant work would be helpful for providing a more comprehensive look at renter strategy.

Johnson stated that he had received a call from HomeWorks Energy, a home performance contracting company, and they asked if Johnson knew any auditors that could speak Mandarin or Portuguese. Johnson said this is indicative of efforts being made to increase participation in minority communities.

McCarey thanked Alissa Whiteman for supporting development of the draft EEAC Resolution on the Renter Strategic Plan.

Arcate motioned to approve the EEAC Resolution on the Renter Strategic Plan. Harak seconded. All were in favor with none opposed or abstaining. Jacobson was unable to participate in the vote due to technical difficulties. The EEAC Resolution on the Renter Strategic Plan was approved by the Council.

7. Adjournment

McCarey, on behalf of the Chair, adjourned the meeting at 4:01 PM.

Meeting Materials:

- August 17, 2022 EEAC Meeting Agenda
- Liberty Mid-Term Modification Memorandum
- Liberty Mid-Term Modification Presentation
- EEAC Resolution on the Liberty Mid-Term Modification – Draft
- Massachusetts Renter Strategic Plan – Draft
- EEAC Resolution on the Renter Strategic Plan – Draft
- Program Administrator Presentation on Multifamily Program Updates
- Consultant Team Presentation on Multifamily Program Updates
- July 6, 2022 Executive Committee Meeting Minutes
- July 20, 2022 EEAC Meeting Minutes