



## MEETING MINUTES

Wednesday, September 21, 2022

Virtual Meeting via Zoom

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

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### 1. Call to Order

McCarey, on behalf of the Chair, called the meeting to order at 1:03 PM.

### 2. Public Comment

No public comment was provided.

### 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.

### ***Upcoming EEAC Meetings***

McCarey announced that the October EEAC meeting would be preceded by an hour-long evaluation, measurement, and verification (EM&V) presentation from Ralph Prah of the Consultant Team (C-Team). McCarey said the October EEAC meeting would be remote, but Councilors should plan for an in-person meeting in November.

### ***Winter 2022-2023 Outreach and New Offerings***

Commissioner Woodcock thanked all involved in planning and designing winter retail energy price mitigation efforts. Commissioner Woodcock noted that elevations in oil and gas commodity prices during the past year have not abated. Commissioner Woodcock said that system reliability concerns tied to energy price increases have garnered the attention of the Federal Energy Regulatory Commission (FERC). Commissioner Woodcock identified household bill increases as the area of largest concern, as reflected in basic electric service pricing from National Grid. Commissioner Woodcock stated that costs for all fuels including electricity, natural gas, propane, and heating oil would likely increase 25% or more, and that the Department of Energy Resources (DOER), Office of the Attorney General (AGO), and program administrators (PAs) are developing price mitigation efforts which target areas consistent with 2022-2024 Plan goals, including weatherization, moderate-income customers, renters, and enhanced small business offerings.

Downey added that the PAs, DOER, and AGO collaborated to develop solutions for the energy cost crisis to help customers and the entire Commonwealth.

Gray, Mazuera, and Lippert, on behalf of the PAs, presented winter price increase outreach and mitigation strategies for Massachusetts customers, for which the DPU had expressed general support. Gray described a statewide Mass Save media plan and targeted marketing within each PA service territory to support customer participation. Mazuera summarized enhanced residential incentive offerings for census block groups (CBGs) with low historical participation and high concentrations of moderate-income customers. Mazuera said the expanded offerings include a streamlined 100% weatherization offering in qualifying CBGs, which would eliminate the need for income verification, as well as increased pre-weatherization barrier mitigation incentives for rental units. Mazuera anticipated that the expanded offerings would be available in October. For small business customers, Lippert said the PAs would increase the volume of Main Street Events, which are door-to-door canvassing efforts in specific communities to increase program awareness and participation. Lippert said all PAs would offer incentives covering 90% of project costs, an increase from the current 70% standard offering, and 100% weatherization incentives for small business renters. Lippert said a prescriptive weatherization offering for 75% of project costs will still be available for specific building shell insulation measures for buildings up to 8,000 square feet. Mazuera also described additional measures and increased rebates available through the Mass Save Online Store.

### ***Council Discussion***

Wambui appreciated PA efforts to mitigate the impending energy cost crisis. Wambui said upward energy price pressure underscores the importance of improving delivery of energy efficiency and accelerating decarbonization. Wambui encouraged everyone to recognize that future energy cost crises are possible, so program efforts should be accelerated. Wambui suggested that wealthier customers typically benefit from mitigation strategies because they know where to seek support. Wambui asked if the PAs will assess outcomes and quantify which customers take advantage of the winter energy price mitigation offerings. Wambui respectfully noted that the small business sector has been underserved and asked how the enhanced offerings will relieve upward price pressures for this segment. Wambui asked what will be done to increase Low-income Energy Affordability Network (LEAN) and Community Action Program (CAP) capacity. Wambui clarified that people in naturally occurring affordable housing also need support, not just income-eligible customers. Menges replied that the PAs will track incremental funding specific to marketing and enhanced offerings against participation trends within the same time window, especially for small business customers. For moderate-income targeting, Menges said that the PAs will track participation within CBGs while streamlined income verification is available, and DOER will evaluate the enhanced offerings to determine the efficacy of the mitigation strategies. McCarey said that small business participation will be tracked, but tracking participation geographically will be important. McCarey stated that DOER is interested in assessing long term viability of streamlined income verification, weatherization, and geotargeting strategies. Menges noted that the DPU is tracking winter price increase mitigation efforts and although it has not requested formal reporting, the PAs plan to report attributable savings.

Jacobson said the fuel assistance program, which is a good entry point for the weatherization program, requires customers to answer many questions to verify income. Jacobson recommended that moderate income offerings require at least some proof of income beyond self-declaration, such as tax returns or pay stubs, to avoid serving higher income customers. McCarey responded that the streamlined offerings and geotargeted efforts would be evaluated for this reason. Jacobson said LEAN has increased energy efficiency funding, trainings, recruitment, and collaboration with contractors, and offered to connect Wambui with LEAN and the Mass CAP director.

Johnson asked for the definition of a direct response messaging channel. Gray replied that a direct response messaging channel allows customers to provide direct responses, such as in email campaigns. Johnson supported the enhanced small business offerings, but asked who would conduct door-to-door outreach and complete small business weatherization projects. Lippert said that lead vendors deliver small business services and use subcontractors to supplement their capacity. Lippert also said the prescriptive weatherization offering and custom express tool will support the provision of services for small and medium businesses. Johnson contended that billboards advertising high winter prices would upset customers. Johnson added that contractors have been alienated by the PAs so the workforce will not be able to meet customer demand. Johnson said that many contracting companies are struggling, wait times for audits are two months, and weatherization work will not be completed in advance of the winter due to workforce limitations, which will further upset customers. McCarey responded that DOER supports proactive outreach regarding the unprecedented winter rate increases to prepare customers and help utilities engage customers in programs that can mitigate energy costs.

Menges said it is each utility's role to educate customers on winter rates as bill increases may be significant for many customers. Menges said that contractors have been informed about the winter price increase mitigation strategies, and the contractors have expressed confidence in their capacity to serve customers over the next 5-6 months. Menges stated that projects completed during the winter will still deliver benefits to customers, as energy prices are not necessarily a short-term issue. Johnson argued that contractor workforce is substantially reduced and unable to recover, so contractors will need to find workers. Menges said the PAs will engage contractors and provide funding to ensure they can effectively serve customers.

Weber asked if the two-party check for 2-4-rental unit weatherization incentives was a mechanism allowing either the renter or owner to apply to programs and whether this mechanism could be applied to all programs. Mazuera responded that property owner signatures would still be required for building upgrades, and the two-party checks require contractor and property owner signatures.

Rio noted that 60% of all Massachusetts customers, or about 200 towns, participate in municipal aggregation where energy rates are substantially lower. Rio suggested that customers in towns with municipal aggregation should be encouraged to participate if they do not automatically opt in. Rio found that most towns with municipal aggregation had electric rates around 10 cents per kilowatt-hour locked in for the next 2-3 years, so advertising about increased energy rates may antagonize municipal aggregation customers. McCarey clarified that the increased rates do not currently apply to competitive supply, which is an important distinction.

Winner thanked Rio for raising municipal aggregation as it will be a tremendously useful tool, and added that the Metropolitan Area Planning Council (MAPC) website has municipal aggregation resources. Winner reiterated Wambui's requests for performance data, especially for the CBG-level streamlined income verification for moderate-income offerings. Winner disagreed with Jacobson as customer participation should be eased as much as possible. Winner asked whether the PAs would improve moderate-income program delivery, or if the trend of moderate-income non-participation would be recreated within the streamlined offering. Winner recommended that the PAs collect income data for CBG participants. McCarey said the PAs need to balance rapid program implementation and future evaluation of the implementation efforts.

#### **4. Data and Reporting: 2019-2021 Term Report and 2022 Q2 Report**

##### ***Program Administrator Presentation***

Downey and Carroll, on behalf of the PAs, presented 2019-2021 statewide results. Downey stated that the PAs approached or exceeded planned targets for most key metrics despite COVID-19-related challenges by quickly implementing safety protocols and adapting program delivery models. Carroll summarized the PA COVID-19 response, strategies to safely continue program implementation, and preparation for 2022-2024 Plan delivery.

##### ***Consultant Team Presentation***

Calcagni, Lynch, and Keating, on behalf of the C-Team, presented analysis of 2019-2021 Term results. Calcagni said the C-Team posted a more detailed presentation on the EEAC website, but

would discuss an abbreviated presentation on 2019-2021 results. Calcagni, Lynch, and Keating described priority themes and results from the 2019-2021 Term as they relate to changes in energy efficiency policy, priorities, and goals for the 2022-2024 Term. Lynch detailed Residential and Income Eligible program performance, noting that market rate Residential performance exceeded targets while the Income Eligible sector underachieved on many electric targets. Keating covered C&I underperformance in the electric and gas portfolios, both statewide and across each PA.

### ***Council Discussion***

McCarey said it was helpful to see 2019-2021 results in the context of the 2022-2024 Plan. McCarey noted that Department of Education released \$100 million in American Rescue Plan Act (ARPA) funding for HVAC equipment and indoor air quality improvements in schools with a focus on reducing greenhouse gas emissions. McCarey added that a portion of the funding will be dedicated to underfunded schools, so details could be shared with the PAs and MAPC. Winner announced that this initiative would be discussed in the upcoming MAPC Clean Energy Newsletter, so they could connect with the PAs.

McCarey noted that the DPU is reviewing the 2019-2021 Term Report filed in August, and Lyne said a public hearing is scheduled for October 27.

Johnson asked how the PAs could prevent heat pump installers from raising prices once Inflation Reduction Act (IRA) funding is released. Johnson asked how federal heat pump incentives would integrate with Mass Save heat pump incentives. McCarey responded that the heat pump pricing issue was communicated to DOER recently, but the PAs would need to handle the issue. McCarey said the interaction of federal and program funding sources would be an ongoing discussion, but IRA funding would flow through DOER. McCarey suggested establishing a working group to design programs that meet IRA funding requirements. Johnson asked if energy specialists promote heat pumps during heating system replacements and if there was supporting data. Lynch said energy specialists tell customers whether their heating system is ready for replacement and highlight opportunities to convert to heat pumps. Johnson asked why C&I heat pump installation levels were so low. McCarey said the PAs previously over-estimated planned installations. Johnson requested more detail on the C-Team's proposed improvements to Residential program delivery. Lynch said there is a lengthy whitepaper on the subject, but some key improvement areas are the co-delivery of solar and energy efficiency, integrated delivery of HVAC and weatherization services, and the overall customer journey. As an example, Lynch said the Tennessee Valley Authority effectively communicates the full suite of improvement opportunities to customers during the customer journey, often using home scoring. Lynch said the PAs committed to delivering home energy scorecards which were delayed, but will help guide customer investments over time. Johnson asked why C&I electric savings are so low. Keating said electrification is a focus for the C&I sector, so increased electric consumption offsets electric savings.

Jacobson noted that 2020 Income Eligible performance was heavily impacted by a year-long loss of Department of Energy (DOE) funding, but the funding has returned so the upcoming program year will have high goals. McCarey asked why reduced DOE funding impacted the Mass Save program. Jacobson said the Income Eligible program is a work order program, meaning the

contractors must serve the entire building. Jacobson said work orders need to include all funding sources, so LEAN was limited in the measures they could deliver. McCarey emphasized the importance of meeting income-eligible program goals, recognizing there were still COVID-related challenges during the previous term. McCarey said the plan is to overachieve in the Income Eligible sector. Jacobson agreed and said capacity and performance both need to increase moving forward.

Winner asked for confirmation that LEAN uses DOE funding for certain measures and Mass Save dollars for others. Jacobson explained that the funds are subject to different criteria, such as Department of Health and Human Services funding that is typically used for heating system replacements. Jacobson said the funds may be deployed differently across towns, building types, and PA service territories. Winner requested a more detailed explanation of all the funding requirements and deployment methods. Jacobson said LEAN can discuss the funding criteria with MAPC. McCarey said the November EEAC meeting will likely focus on the Income Eligible sector so this topic can be included in the agenda.

## **5. Data and Reporting: 2019-2021 Term Report and 2022 Q2 Report**

### ***Program Administrator Presentation***

Chambers, Engelkemeyer, and Formica, on behalf of the PAs, presented information on the attainment of benefits and savings goals, and program implementation efforts through Q2 2022. Chambers stated that a tracking anomaly has artificially reduced electric benefits and savings results through Q2, but the issue should be corrected in the Q3 report. Chambers said gas results were at expected levels through Q2 at the portfolio level, but the C&I sector lagged behind goals. Engelkemeyer noted that efforts at heat pump channel engagement have supported strong participation among manufacturers and distributors resulting in the enrollment of 613 companies, 1,227 technicians, and 745 completed heating system consultations through Q2 2022. Formica announced that the two supplier-diversity summits were scheduled, a Language Access Plan vendor was selected, moderate-income offerings were launched, and small rental properties would receive pre-weatherization barrier incentives as part of the winter price increase mitigation strategies.

### ***Consultant Team Presentation***

Lynch and Keating, on behalf of the C-Team, highlighted key performance indicators (KPIs) for each sector. Lynch and Keating offered to explore the reported Residential, Income Eligible, and C&I KPIs in greater detail. Lynch reviewed Residential and Income Eligible KPIs, as well as equity targets included in the Q2 report. Keating summarized findings from the reported C&I KPIs on C&I lighting controls projects, custom HVAC savings, custom small business turnkey projects, and small business participation. Keating also listed updated C&I metrics, new program offerings, and active demand enrollments through Q2.

### ***Council Discussion***

McCarey said she was excited about the Income Eligible KPIs, deep energy retrofit offering, and prescriptive small business weatherization incentive. McCarey thanked the PAs for launching the moderate-income pre-weatherization barrier incentives since that segment requires significant improvement in weatherization performance.

Rio asked if new gas pipelines were being connected to propane and oil customer homes. Rio noted that heat pumps installations in the Residential New Construction program do not imply that new homes are all-electric. Lynch said the PAs might have data on gas access and pipeline development. McCarey said oil and propane customers commonly transition to gas when it is available. McCarey noted that DOER has planned a 2023 Stretch Code which, along with the all-electric New Construction offering, will shift the market away from fossil fuels.

Weber echoed support for new program offerings and noted that the KPIs will produce actionable insights. Weber said KPI #4 on C&I lighting controls shows that less than 10% of completed lighting projects have controls, which indicates this is an area needing improvement. Weber said the program data needs to inform corrective actions. Winner agreed.

Winner asked if the PAs were aware of limited heat-pump water-heater availability, as it appears to be a barrier for electrifying large multifamily properties. Engelkemeyer said the PAs would look into the issue. Winner said that heat pumps and heat pump water heaters have distinct markets. Engelkemeyer replied that each technology has a different installer, distributor, and manufacturer network, but heat-pump water-heaters are being promoted across New England. Engelkemeyer said a regional electrification effort will encourage manufacturers to focus resources into Massachusetts to support the implementation of heat pump water heaters. Winner asked if the PAs considered market-rate customer participation within target CBGs and argued that this would artificially inflate moderate-income customer participation in Q3 and Q4. McCarey said the intent is to count all target CBG participants as moderate-income since the CBGs have high percentages of moderate-income customers, but retrospective EM&V will confirm actual moderate-income participation. McCarey said the PAs want to avoid any form of income verification in the streamlined income verification pilot using target CBGs. Menges confirmed McCarey's description.

Johnson supported the heat pump marketing strategies, but asked why Mitsubishi, a large heat pump manufacturer, was not included in the manufacturer engagement plan, and what manufacturer engagement entailed. Engelkemeyer said Mitsubishi is an existing manufacturing partner, and the presentation only highlighted newly engaged partners like Panasonic. Johnson asked how Measure Quick integrated into the new heat pump marketing strategies. Engelkemeyer replied that Measure Quick was the previous installer network with 90 partners, whereas the Heat Pump Installer Network has over 600 partners. Johnson asked why only six heat pumps were installed in the New Construction program. Lynch said there are generous incentives for all-electric residential new construction, but it is not a requirement.

## **6. Renter Strategic Plan**

McCarey thanked the PAs for quickly incorporating changes into the Renter Strategic Plan following the listening sessions and EEAC meetings.

### ***Program Administrator Presentation***

Formica, on behalf of the PAs, presented key partnership, marketing, and program delivery strategies, included in the updated Renter Strategic Plan, which was shaped by stakeholder

engagement. Formica said that eight new strategies related to enhanced incentives, language access considerations, Income-Eligible-specific efforts, and Community First Partnerships, were incorporated into the updated Renter Strategic Plan. Formica noted that the PAs still have nine days to integrate final changes before filing the Renter Strategic Plan with the DPU.

### ***Council Discussion***

McCarey appreciated that PAs are exploring direct landlord engagement strategies, similar to those employed by Eversource. McCarey asked if small-business renter weatherization incentives and pre-weatherization barrier mitigation incentives for 2-4-unit rental properties would be available beyond the winter. Mazuera said the PAs hoped to continue the offerings beyond the winter if the pilots are successful, particularly for the enhanced renter offerings.

Johnson asked if the barrier remediation incentives were offered per rental unit or per building. Mazuera said the incentives would be provided on a per unit basis. Johnson asked if door-to-door marketing efforts, like Main Street Events for small business customers, could be used to reach renters and landlords. Johnson asked what rental insulation kits offered through the online marketplace included. Mazuera responded that Eversource avoids door-to-door canvassing as a customer policy, but moderate-income customer-engagement guidelines are being revisited. Formica said many customers are hesitant about direct engagement because third-party energy suppliers also conduct door-to-door marketing, but the Community First Partnerships have mixed success with direct engagement among different communities. Lynch said insulation kits are described in the PA winter energy price mitigation presentation. Formica said the kits include pipe wrap, door strips, window insulation, and other small insulation measures that can be self-installed.

Winner commented that the updated Renter Strategic Plan is greatly improved and looked forward to implementing strategies included in the document. Winner asked if people could provide direct feedback on the proposed final Renter Strategic Plan prior to the September 30<sup>th</sup> filing deadline. Formica said the PAs had time to incorporate minor feedback prior to the deadline. Winner suggested that additional details included in the PA presentation should be added to certain areas of the Renter Strategic Plan text.

McCarey said Wambui requested more detail on Eversource's landlord resources and landlord engagement and support strategies being explored by the other PAs. Mazuera noted that Eversource has a dedicated resource conducting landlord outreach, managing referrals, and facilitating landlord participation in programs.

## **7. Adjournment**

McCarey, on behalf of the Chair, adjourned the meeting at 4:09 PM.

### **Meeting Materials:**

- September 21, 2022 EEAC Meeting Agenda
- Winter Price Mitigation Updates Presentation
- Program Administrator Q2 2022 Presentation

- EEAC Consultant Team Q2 2022 Presentation
- Program Administrator Presentation: 2019-2021 Term
- EEAC Consultant Team Presentation on 2019-2021 – Full Analysis
- EEAC Consultant Team Presentation on 2019-2021 – Focused Themes
- Final Draft Renter Strategic Plan – Updated September 2022
- Updated Renter Strategic Plan Presentation
- Statewide Data Dashboard through July 2022