



EQUITY WORKING GROUP MEETING MINUTES

Thursday, October 27, 2022
Virtual Meeting: Zoom

Meeting Attendees: Amanda Formica, Charlie Harak, Leah Cohen, Brooks Winner (representing Cammy Peterson), Mary Wambui, Maggie Downey, Ruth Georges, Anxhela Mile (representing Caitlin Peale-Sloan), Brian Beote, Cindy Luppi, Ruth Georges, JoAnn Bodemer, Max Halik, Michelle Keller, Sandra Alvarado, Zack Lippert, Stephanie Terach, Danilo Morales, Nina Mascarenhas, James Collins, Alissa Whiteman, Maggie McCarey, Adrian Caesar, Margie Lynch

1. Call to Order

Whiteman, acting as Chair, called the meeting to order at 9:36 AM.

2. Status Updates: Moderate-Income Delivery Model

Moderate-Income Delivery Model

Terach, on behalf of the program administrators (PAs), provided an update on the Moderate-Income program offering. 541 total customer applications were submitted, of these 310 were identified as moderate-income, 37 were income-eligible customers and referred to Community Action Programs (CAPs), 134 were market-rate customers, and 60 are pending further review. Though the PAs launched new income-verification methods earlier in the summer, 82% of the applicants used traditional income verification by submitting pay stubs or other proof of income documentation. Of the 541 applications, 14% went through the third-party qualification process. 34% of the applications were submitted by residents of environmental justice communities (EJCs). Terach noted that statewide marketing, EJC targeting, and PA-specific marketing, including emails and post cards to previously qualified customers in July, all contributed to an uptick in applications.

Harak asked how the PAs determine customer income ranges. Terach said CLEAResult performs customer income verification work.

Lynch asked how the Community First Partnerships (CFPs) are being used to market moderate-income offerings. Formica replied that CFP communities receive letters with municipal seals co-

branded with the Mass Save PAs which are distributed to all residents. The letters describe program offerings and incentives. Formica noted that community meetings are used as outreach forums, and some towns are still doing door-to-door outreach.

Winner suggested that the automatic moderate-income incentive qualification within target census block groups (CBGs) may overlap with CFP communities. One CFP partner asked whether letters went to the target CBGs since they did not want to confuse people with multiple mailings. Formica said she would need to confirm what messaging was shared in target CBGs regarding winter price mitigation offerings. Downey indicated that Cape Light Compact would distribute letters to target CBGs next week. Formica said National Grid already mailed letters to target CBGs on the automatic moderate-income qualification and other winter price mitigation offerings.

Wambui said the PAs have been doing well with data reporting and requested moderate-income participation and performance data. Wambui commented that participants in the Massachusetts Building Electrification Accelerators, developed by Rocky Mountain institute, who are also CFP participants have complained about Mass Save programs. Wambui requested that the PAs ask CFP partners about complaints about the moderate-income program. Formica asked for more details on the complaints or the parties that should be contacted. Wambui said that Melrose, Lawrence, and Lowell have all complained. Georges shared that the PAs have created multiple opportunities for CFP partners to provide feedback, including weekly or bi-weekly check ins. Their contractor All-In Energy leads the feedback sessions, but the PAs participate to help CFP partners reach goals and work through proposals. Georges indicated that the PAs have received feedback from Melrose, Lawrence, and Lowell and are sensitive to their complaints. Wambui heard that CFP partners do not feel empowered to be open with their opinions on program delivery, which would encourage them to take advantage of beneficial program offerings. Formica said PA staff work to cultivate two-way communication, but can further emphasize that. Formica also noted the PAs are seeking to enroll Worcester as a CFP partner, and asked others to support that effort.

Lynch stated that communications on winter price increase mitigation offerings were very unclear. Links on websites direct customers to PA websites instead of Mass Save, and moderate-income customers are directed to income-eligible offerings. Lynch recommended that the PA marketing teams reevaluate websites and other marketing tools to effectively communicate no-cost or reduced-cost offerings.

Harak, a Melrose resident, had spoken with the Melrose CFP lead Martha Grover. Harak asked what data can be provided on historical participation in a city or town, such as the number of homes served in the past five years. Downey said that Cape Light has put effort into debriefing six towns on energy efficiency programs, but one issue is that the PAs are not allowed to share any customer-specific data. The PAs have historical data, but the PAs need to consider privacy issues even while promoting program participation. Harak agreed that the PAs should only share information that helps CFP partners set baselines for participation, not personally identifiable or specific customer data. Downey said the PAs can share overall participation data, but CFP partners will likely ask for more targeted data that violates privacy restrictions. Formica said the PAs are responding to Malden and Melrose data requests, which are commonly posed by CFP

partners as part of the application process. The current or prospective CFP partners are typically provided historical audit and weatherization data, as well as data for other major equipment categories, broken out by income. Formica said DNV, a program vendor, developed detailed program participation maps using the Non-Participant Study and Massachusetts demographic data, but the CFP partners find the map's interface difficult to use. Formica noted that All-In Energy is using this data to assist CFP partners with outreach efforts.

Wambui said the discussion about data is national and referenced an Inflation Reduction Act working group's frequent discussion of data benchmarking. Wambui noted that the North American Energy Standards Board has standards for customer-friendly utility data and asked if the Mass Save PAs apply these standards.

McCarey asked if Mass Save participation data could be shared to inform targeted marketing efforts. Bodemer said the PAs are unable to disclose specific participation data, but asked if they can target communities or census blocks. Formica replied that the program participation maps were developed to identify communities with lower participation levels.

Lynch recommended that the CFP partners identify specific audiences for marketing communications, such as discount rate customers, which the PAs then contact.

Morales noted that it took three years to receive anonymous, street-level weatherization data in Dorchester to guide door to door outreach and community database development. Morales said the data was critical for performing targeted outreach.

Harak asked if PAs track outcomes for customers referred to CAPs after they are income qualified. Georges said one-for-one outcome tracking is complex is given the varying service territories and lead vendors. Customers may receive audits, pass income verification, then get referred to CAPs, but there are different CAPs which complicates tracking. Georges said the PAs have monthly meetings with LEAN about the CFPs, but the tracking process needs further refinement. The PAs proposed geographic-based initiatives and want to quantify the impacts on participation. Formica said the variability in customer pathways and participation journeys complicates tracking, but the PAs can track CFP partner participation against their baseline participation levels from previous years. Georges said feedback from energy advocates and customers helps the PAs identify opportunities for process improvements. Harak suggested that CFP referrals to the Income Eligible program should be the focus of outcome tracking.

3. Small Business Program Presentation

Historical Context

Keller, on behalf of the Consultant Team, presented background on the Mass Save Small Business program including key insights from the Small Business Nonparticipant Customer Profile Study, Small Business key performance indicators (KPIs), and small business equity targets for completed weatherization projects in 2022-2024.

Luppi asked how much the CFPs were driving small business participation. Lynch said the Small Business Nonparticipant Customer Profile Study looked at 2012-2017, which predates the CFP

efforts. Luppi expressed interest in monitoring small business participation in EJCs, as CFP partners have ties to local businesses and can support participation. Lynch said there are plans to evaluate partnerships, but attributing participation to specific efforts is very challenging. Luppi said participation often takes several touchpoints so different efforts can work together. Keller said the updated customer profile study would consider a narrower number of factors.

McCarey suggested that the many changes to Small Business program delivery warrant monitoring of new offerings. The customer profile study did not include geographic information, which will be helpful to include in the updated study. Keller replied that the lack of geographic information was an issue with the first customer profile study.

New Small Business Weatherization Offer

Lippert announced that the prescriptive small-business weatherization offering launched on the Mass Save website a month ago. Lippert said the PAs are conducting a slow rollout by inviting home performance contractors and independent insulation contractors from the Residential programs to participate in the small business offering. The PAs hosted a webinar on small business program participation, but the offering and outbound marketing campaigns will be launched statewide during the next PA business partner event in February. Lippert noted that the PAs initially invited high performing partners to participate. The PAs informed all lead vendors providing turnkey services of the prescriptive weatherization offering and directed them to promote the offering when at customer sites.

Winner asked if small-business offerings apply to smaller municipal government buildings and whether these are communicated to municipalities. Halik clarified that all commercial buildings that meet building-size criteria for the Small Business program are eligible. Lippert said there are prescriptive rebates for attic insulation, wall insulation, and air sealing for any building below 8,000 square feet. The PAs also have dedicated Commercial & Industrial (C&I) sales staff that received training on the small business offering in case they have eligible buildings in their accounts.

Wambui noted that Eversource has performed small business targeting in Chelsea and Cambridge and asked if other PAs are doing similar targeting in EJCs and other underserved communities. Lippert replied that all PAs are conducting Main Street efforts in EJCs, are on pace to complete 100 Main Street efforts statewide, and updates were included in the Q2 reports. Wambui asked if the utilities use the national standards for data collection that were mentioned earlier in the meeting. Lippert said he was unsure. McCarey replied that National Grid and Eversource have utility-provided data and Green Button connection on their utility platforms, the latter being a component of customer-facing grid-modernization initiatives. Wambui asked if the renter-landlord issue impacts small business renters. Lippert said small business renters are typically provided short payback measures with high incentives so they can receive energy benefits within their tenancy period. The PAs have been unable to perform much small business weatherization due to previous cost-effectiveness challenges which have been partially mitigated by the prescriptive offering and Social Cost of Carbon. Lippert said the PAs do not have direct contracts with all insulation contractors, so a small business weatherization incentive cap was established to ensure projects are within a reasonable cost limit. Wambui recommended that the Mass Save website be redesigned to be more user-friendly, especially for small businesses, and

referenced the New York State Energy Research and Development Authority (NYSERDA) website as a good example. Lippert said a major Mass Save website overhaul is underway.

Lynch asked if the PAs will track micro-business, small business, large business, and municipal participation in the prescriptive weatherization offering. Lynch believed that equity would be better achieved if small businesses in small buildings are served, as opposed to large businesses in small buildings. Halik expected that large businesses with small facilities would comprise the majority of participants. Turnkey programs serve small business customers that meet energy consumption criteria, and there is a separate custom offering for buildings between 8,000-100,000 square feet. Halik said the prescriptive pathway offers insulation and air sealing for smaller businesses that would have difficulty going through the custom pathway, which requires detailed energy modeling. Lippert said he would need to check with the PA data team to determine how granularly weatherization would be reported, but custom and prescriptive participation can be tracked separately. Given the energy consumption limits for turnkey program participation, the PAs will know how most small business customers participate in weatherization offerings, but some will be lumped in with large C&I participants.

Small Business Heat Pumps

Lippert stated that all PAs are offering \$2,500 per ton for air source heat pumps, \$3,500 per ton for variable refrigerant flow systems, and \$4,500 per ton for ground source heat pumps, which represents a tenfold increase above the 2019-2021 Plan incentive levels. Lippert said the incentives are provided through a downstream, open market program, where customers can use their own heat pump installers and apply for rebates. Some PAs offer heat pump rebates through their turnkey vendors, which allows energy assessments to identify more holistic offerings while vendors are on site. Lippert said the offerings have been slow to ramp up since the first half of 2022 was focused on training vendors and staff, but the Energy Efficiency Learning Center has modules for vendor training and upskilling.

McCarey said the DPU Order on the 2022-2024 Plan emphasized co-delivery of heat pumps and weatherization and asked how this is being done for small businesses. Lippert said the prescriptive offering was intended to ease the weatherization process and calibrate weatherization incentives appropriately, and the PAs had not considered higher incentives for co-delivery of heat pumps and weatherization. Feedback to date has shown that current incentives are enough to drive adoption, but higher electricity rates are a deterrent for many customers than upfront costs. McCarey asked if the PAs are tracking co-delivery of heat pumps and weatherization. Lippert stated that there is a customer attestation form to track completed weatherization projects, as well as insulation requirements for heat pump installations.

Winner asked if there was overlap in Residential and C&I heat pump installers or if each sector had its own distinct workforce that requires separate training. Lippert said there is overlap for both weatherization contractors and heat pump installers, even though the workforce is still heavily saturated with lighting-focused installers. Winner asked if vendors are struggling with the transition to weatherization and heat pumps. Lippert confirmed that transition presents a challenge, as lighting, aerators, and other measures were simpler to sell, whereas explaining the benefits of fuel switching and weatherization is more complex. Lippert added that the PAs are developing best-practice sales guides for vendors.

Luppi asked how winter energy rate increases are being communicated to customers, as EJ and low-income communities are concerned about heating costs. Lippert replied that the PAs are reaching out to customers in arrears or with past arrears, and small business vendors have been provided talking points to explain winter price mitigation strategies and other offerings. Lippert added that people are more conscious about energy bills and have expressed more interest in audits and weatherization. Terach said many PAs are hosting in-person energy savings events at city and town halls with vendors and CAPs to set up assessments and qualify customers for programs.

Harak said fuel costs and procurement challenges present bigger problems than energy efficiency. Governor Baker allocated \$20M in fuel assistance funding, and Harak shared this information with congressional offices to support customers in procuring heating fuels. Luppi said that Clean Water Action is collaborating with Larry Chretien, executive director of Green Energy Consumers Alliance, in disseminating information on fuel assistance.

4. Equity Working Group Charter: Review and Discussion

Review and Discussion

McCarey announced that the Equity Working Group was officially recognized as an EEAC subcommittee, so the Council must authorize the group's charter for the next two years. McCarey said the Equity Working Group charter was drafted following structure of other EEAC subcommittee charters, reviewed the draft document, and requested written feedback. McCarey also noted that the Council will vote on nominations for EEAC seats on the Equity Working Group when it votes on the charter.

Bodemer expressed concern about maintaining a hybrid format and complying with Open Meeting Law since commuting for all EEAC and EEAC subcommittee meetings would be a burden. Bodemer contended that hybrid meetings support stakeholder participation from underserved communities. McCarey said the updated EEAC Bylaws allow hybrid meetings for all subcommittees since there is not a quorum of Councilors at subcommittee meetings. Bodemer asked that this provision be included in Equity Working Group charter. McCarey agreed that hybrid meetings support participation. Downey said that Open Meeting Law requires an in-person quorum of voting members to allow remote participation for others. McCarey noted that this may not apply to subcommittees and said she would check to confirm.

5. Environmental Justice (EJ) Targets for Participation and Investment

Lynch reviewed the language for EJ municipality targets describing increased investment and participation goals, baseline data using 2019-2021 actual numbers, and the annual data reporting of EJ participation and investment. Lynch said that specific targets can be discussed once the data is prepared and 2022-2024 participation estimates are provided by the PAs. The Equity Working Group would then recommend EJ targets to the Council.

Harak asked if the EJ participation targets are at the municipal level. Lynch responded that targets are at the PA level. Harak suggested that participation in towns with historically low

penetrations may need to ramp up significantly for PAs to meet aggregate goals. McCarey said that all EJ communities have lower historical participation since they were below the statewide average for participation.

Wambui thanked the PAs and everyone working on equity issues, and said there have been significant changes to how discussions frame equity across the Commonwealth. McCarey also thanked the Small Business program managers for participating and making changes to the program.

Whiteman announced that the next Equity Working Group meeting would be held on December 5th from 11:00-1:00 PM.

6. Adjournment

McCarey, acting as Chair, adjourned the meeting at 11:37 AM.

Meeting Materials:

- Meeting Agenda
- Draft EEAC Equity Working Group Charter
- Consultant Team Presentation on Small Business Program Implementation