MA ENERGY EFFICIENCY ADVISORY COUNCIL

MEETING MINUTES

Wednesday, November 16, 2022
Hybrid In-person and Virtual Meeting via Zoom

Councilors Present:	Simone Early (for Greg Abbe), Cindy Arcate, Jo Ann Bodemer, Amy Boyd, Justin Davidson, Charlie Harak, Elliott Jacobson, Paul Johnson, Deirdre Manning, Robert Rio, Brooks Winner (for Cammy Peterson), Mary Wambui, Commissioner Patrick Woodcock, Sharon Weber, Dennis Villanueva, Cindy Carroll, Maggie Downey, Michael Ferrante, Paul Gromer, Hammad Chaudry, Kate Peters, Chris Porter, Tim Costa, Stephanie Terach
Councilors Absent:	(None)
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 12:03 PM.

2. Public Comment

Natalia Romano (Community First Partnership Energy Advocate – Pittsfield)
Romano commented that staff at the Berkshire Community Action Council are required to fulfill many responsibilities and make requests to utilities that can be delayed up to one year. Romano recommended that more funding is allocated to community action agencies (CAAs) to bolster their staff, improve software systems, and remediate knob and tube wiring, vermiculate, and other health and safety barriers in homes. Romano said the lack of CAA resources creates a bottleneck for providing services, particularly to substandard housing in rural areas. Lastly, Romano suggested streamlining the CAA funding process to ease reporting burdens.

Alex Pratt (Director of Community Development – Malden)
Pratt stated that market rate Residential and Income Eligible programs are unequal. The Income Eligible program has a cumbersome customer intake process, uses dated program delivery methods, and provides services more slowly than the market rate Residential program, which

exacerbates existing inequities between income groups. Pratt noted that the CAA serving Malden has a waitlist of 300 customers, with availability opening as late spring 2023. Pratt said the Income Eligible program only focuses on discount rate customers and has inadequate goals and budgets. Pratt suggested that the state is responsible for serving income-eligible customers, the market rate Residential and Income Eligible programs should be integrated, and one in three heat pumps should be installed in low-income homes. Pratt also commented that the Community First Partnership has provided woefully incomplete responses to inequities in program delivery.

Emily Jones (Local Initiatives Support Corporation – LISC Boston)
Jones indicated that the Zero Carbon Renovation Fund (ZCRF) Coalition is seeking $300 million in state funding to support building envelope upgrades, electrification, on-site renewable generation, and other decarbonization efforts in environmental justice communities (EJCs). In response to the new process for determining deep energy retrofit project incentives included on slide 28 of the Low-Income Energy Affordability Network (LEAN) Income Eligible program presentation, Jones posed several questions on behalf of the ZCRF:

- What is the max incentive amount per project?
- What is the max annual or term budget for the deep energy retrofit program?
- Will deep energy retrofits completed in stages be able to access incentives?
- What flexibility will be provided in benefit-cost calculations?
- How much support will be provided for and who will perform technical assistance studies?
- How will incentives be accessed and when will incentives become available?

Cynthia Boettner (Community First Partnership Energy Advocate – Shelburne)
Boettner seconded comments provided by Romano and Pratt, as CAAs serving Shelburne and other towns are very understaffed. Boettner said that some income-eligible customers pride themselves on surviving without government assistance, especially older residents, and asked if these customers could be brought into programs through fuel assistance or discount rate eligibility. In addition, Boettner noted that landlords unaware of income-eligible programs represent opportunities to serve more customers.

3. Council Updates & Business

Virtual Meeting Procedure Review
McCarey reviewed the virtual EEAC meeting procedures:

1. The Council meeting 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.

October Executive Committee Meeting Minutes

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

October EEAC Meeting Minutes

Arcate motioned to approve the October EEAC meeting minutes as submitted. Winner seconded. All were in favor, with none opposed. Early abstained. The October EEAC meeting minutes were approved, as submitted, by the Council.

DOER Updates

Commissioner Woodcock announced that the DOER Winter Heating Report, which estimates consumption and prices for household heating fuels during the upcoming winter, was published. Commissioner Woodcock said that natural gas prices have improved, but heating oil customers are still facing severe inventory limitations.

Winter Pricing and Weatherization Updates

Peters, on behalf of the program administrators (PAs), provided an update on winter energy price mitigation strategies and year-to-date home energy audits (HEAs) and weatherization projects through October. Peters noted that the number of HEAs completed through October 2022 exceed 2021 levels, but completed weatherization projects are 18% lower than 2021 through the same time period. Peters said that the average lead time for lead vendor HEAs is about two months, while home performance contractors (HPCs) are able to provide audits in about three weeks. The PAs have discussed scheduling additional HEAs with lead vendors and direct weatherization through independent insulation contractors (IICs) in order to reduce lead times. Peters added that outreach letters were sent to all targeted moderate-income census blocks and the PAs have scheduled 62 HEAs after canvassing four towns.

Lynch asked whether direct weatherization, which does not require an HEA prior to implementing envelope upgrades, is advertised on the Mass Save website. Peters replied that program staff communicate direct weatherization options during phone calls with customers. Lynch recommended leveraging trusted advisors and community members to send letters and canvas target communities.

4. Income Eligible Programs

LEAN and Program Administrator Presentation

Collins and Wells, on behalf of the Low-income Energy and Affordability Network (LEAN), covered the background of LEAN and CAAs, the current Income-Eligible program implementation model, challenges to program delivery and potential solutions, and future strategies for goal achievement. Collins described new program implementation strategies including an expanded HVAC contractor network to meet customer demand for heat pumps and a Statewide Client Services Center to enhance customer service.

Consultant Team Presentation

Lynch, on behalf of the EEAC Consultant Team (C-Team), presented an assessment of Income-Eligible programs in the context of macroeconomic conditions, recent program performance, and EEAC priorities for the 2022-2024 term. Lynch noted that Income-Eligible program budgets have increased substantially relative to previous terms to support the transition from lighting savings, decarbonization, mixed-income protocol implementation, and new Income-Eligible key performance indicators (KPIs).

Council Discussion

Wambui expressed appreciation for the content presented and, though the Income-Eligible program has supported affordable housing projects, there are still enhancements to be implemented. The 2017 Income-Eligible Process Evaluation included a recommendation to use a Department of Energy (DoE) approved electronic audit tool to collect and store participant and measure-performance data. Wambui asked why the electronic audit tool has not been implemented. Wambui said that data is important for achieving equitable outcomes and building equitable systems. Wambui recommended that the PAs employ a statewide electronic audit tool and asked DOER to support the effort. Wells stated that LEAN agrees that a statewide electronic audit tool is needed, and while Massachusetts has been a leader in energy efficiency, all stakeholders and partners need to make concerted efforts around achieving equity goals. Wells said that Action for Boston Community Development (ABCD) has a DoE-approved weatherization tool that should be integrated with Mass Save programs. Wells reiterated that Income Eligible programs were derived from federal programs and program administrators have different data reporting platforms, which both present challenges. Wells said that LEAN would support unifying data reporting systems to create a statewide platform.

Winner asked if customers need to be on the R2 discount rate or fuel assistance in order to be deemed income eligible and how this would affect the mixed-income protocol. Wells replied that all customers eligible for the discount rate or fuel assistance are also income eligible based on program criteria. Fuel assistance participation represents the largest driver of single-family income-eligible customer participation and outreach to R2 discount rate customers is regularly conducted. Wells said that Income-Eligible program budgets are allocated based on the percentage of residents living in poverty.

Early asked how incentives for PA-funded maintenance of equipment including air source heat pumps would be accessed, how resulting energy savings would be analyzed, and whether the offering would address system failures due to manufacturing issues. Early also asked if equipment failures would be quantified, how the maintenance incentives would be equitably distributed, who would implement the maintenance program, and who would be the primary point of contact for maintenance needs. Collins responded that maintenance incentives would be provided for all heat pumps installed since 2021, resulting in an annual maintenance visit for 2-3 years. Single-family heat pumps would be served by the lead vendor through CAAs, whereas multifamily heat pump systems would be served through existing maintenance contractors. Collins said maintenance incentives would be distributed based on the number of installed heat pumps and heat pump budgets are based on the percentage of customers living in poverty in each PA service territory. Early commented that PA decision-making committees allow different agencies and stakeholder groups to participate, but this does not automatically result in effective and equitable community representation. Early asked if people from EJCs are represented on PA

boards and able to influence decisions that will impact their communities. Wells said that community members participate at different levels and forums in the decision-making process, like in housing authority meetings.

Weber concurred with Wambui's comments on the importance of robust data reporting in achieving equitable outcomes, and asked what actions are being taken to meet heat pump installation goals included in the 2022-2024 Term Sheet. Collins said that the ramp up of heat pump installations is a process, since customers are not always interested in or educated on heat pumps. Collins said the 2022-2024 Three-Year Plan represents a major shift in program strategy due to the increased emphasis on decarbonization, but LEAN is confident that the single-family heat pump installation goals will be met. For multifamily income-eligible buildings, there are more adoption challenges for both building owners and tenants, so buildings under 25 units would be targeted.

Boyd asked what barred the PAs and LEAN from implementing a statewide electronic audit tool as recommended in the 2017 Income Eligible Process Evaluation. Boyd also noted that the Inflation Reduction Act set the income eligibility threshold at 80% of area median income (AMI) and asked how this would be reconciled with the current 60% threshold used by the Income Eligible program. Jacobson responded that the Department of Housing and Urban Development also uses the 80% AMI threshold and agreed this is an appropriate value, but increasing the Income Eligible program threshold from 60% would require a large amount of incremental funding.

McCarey agreed there should be actions taken to implement a statewide electronic audit tool and asked what the Process Evaluation recommended for the audit tool, what are barriers to implementing the audit tool, and how the PAs and LEAN can resolve any barriers to using the audit tool.

Bodemer said that the PAs and LEAN may be creating artificial constraints based on their interpretation of federal practices for program implementation. Bodemer requested further clarity on how federal guidelines determine statewide program delivery, as well as more specificity on which entities are being referenced in presentation materials. Bodemer said it was unclear what applied to LEAN, CAAs, or other entities.

Johnson noted that HPCs have referred hundreds of customers to CAAs, but only a small percentage of referrals receive services. Johnson asked if the CAA workforce is able to meet customer demand and how long their lead times are. Collins said that HEA lead times are 4-6 weeks, but CAAs are collaborating more with HPCs to fulfill customer demand. Collins noted that collaboration with HPCs and lead referrals have challenges related to concurrent marketing of different program offerings. Johnson asked if Community First Partners track and manage clients that are referred to CAAs. Johnson also supported door-to-door outreach. Peters said that the PAs and LEAN discussed ways to collaborate more seamlessly and refer leads to the appropriate program staff.

Commissioner Woodcock identified three items for further discussion: implementation of a statewide electronic audit tool, disparate income-eligible customer experiences, and differing

levels of success for partial fossil fuel displacements between the Income Eligible and market rate Residential programs.

5. Cape Light Compact Cape and Vineyard Electrification Offering (CVEO)

Cape Light Compact Presentation
Downey, on behalf of Cape Light Compact, described the third iteration of CVEO and key differences from the previous offering that was rejected by the Department of Public Utilities. Downey said the offering was designed to decarbonize homes and reduce the energy burdens of low- and moderate-income customers by providing incentives for onsite solar generation, electrification, and battery storage. The redesigned CVEO targets a narrower customer segment, reduces bill impacts, and allows for customer ownership of all installed equipment.

McCarey stated that the C-Team, DOER, and Executive Committee are developing an EEAC Resolution on CVEO that must be filed within 60-days of the CVEO filing, meaning the Council would need to vote on the Resolution during the December 18th EEAC meeting.

6. Adjournment

McCarey, on behalf of the Chair, adjourned the meeting at 4:06 PM.

Meeting Materials:

- Agenda
- PA EEAC Updates
- CLC Presentation on CVEO
- LEAN Presentation
- Consultant IES Presentation
- EEAC EWG Charter Draft Nov EEAC 11-16
- October 12, 2022 ExCom Meeting Minutes
- October 19, 2022 EEAC Meeting Minutes