



## MEETING MINUTES

Wednesday, February 8, 2023  
Virtual Meeting via Zoom

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<b>Councilors Present:</b>	Greg Abbe, Jo Ann Bodemer, Amy Boyd, Elliott Jacobson, Paul Johnson, Meg Lusardi, Deirdre Manning, Robert Rio, Jonathan Schreiber, Charlie Harak, Brooks Winner (for Cammy Peterson), Dennis Villanueva, Sharon Weber, Commissioner Patrick Woodcock, Dennis Villanueva, Cindy Carroll, Maggie Downey, Michael Ferrante, Kate Peters, Hammad Chaudry, Chris Porter, Stephanie Terach, Tim Costa
<b>Councilors Absent:</b>	Mary Wambui
<b>Consultants Present:</b>	Eric Belliveau, Adrian Caesar, Gretchen Calcagni, Griff Keating
<b>DOER Staff Present:</b>	Rachel Evans, Maggie McCarey, Alissa Whiteman, Ina Dasso

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### 1. Call to Order

McCarey, on behalf of the Chair, called the meeting to order at 1:05 PM.

### 2. Public Comment

#### ***Todd Olinsky-Paul (Clean Energy Group)***

Olinsky-Paul suggested that the ConnectedSolutions program include full cost coverage for storage systems to enable low- and moderate-income customer participation in active demand management (ADM). Olinsky-Paul said that a 2018 cost-benefit analysis illustrated that an income-eligible-ADM program would be cost effective under the program administrator cost test; however, income-eligible offerings were never developed. Olinsky-Paul said that ConnectedSolutions is a nation-leading battery program, but it has not resulted in equity and access to clean energy initiatives. Olinsky-Paul commented that three recent changes represent an opportunity to correct the lack of equity in ADM offerings:

1. The Cape and Vineyard Electrification Offerings (CVEO), which will provide free solar, storage, and heat pumps for income-eligible customers, has been approved by the Department of Public Utilities. Its approval both proved that income-eligible-storage

programs can be implemented and created a precedent for battery rebates within energy efficiency program administrator (PA) budgets.

2. The Inflation Reduction Act (IRA) includes a federal investment tax credit which extends to standalone battery storage. In addition, municipalities were granted a direct payment option which can reduce the levelized cost of storage by 50%.
3. Other states, such as Connecticut, have improved on the Massachusetts ConnectedSolutions program by including performance rebates, upfront cost coverage, on-bill repayment, and additional incentives for income-eligible customers.

Olinsky-Paul said that these changes create an unparalleled opportunity to support equity in energy storage, so the PAs and Low-Income Energy Affordability Network (LEAN) should immediately develop income-eligible-storage offerings.

### ***Nancy Chafetz (CPower)***

Chafetz expressed concerns about the proposal to cap the capacity of storage systems that are eligible for ConnectedSolutions performance incentives at 150% of customer peak load. Chafetz said that customers size their batteries at 300% of peak load, due to resilience benefits and additional demand charge management which allow batteries to “pencil out”(pass certain economic screening thresholds) when ConnectedSolutions incentives are considered. Chafetz said that the 150% cap on peak load would not allow customers to obtain any resilience benefits from storage systems. CPower reviewed twelve battery projects under development in Massachusetts, eleven of which would exceed the proposed peak load cap. Chafetz noted that CPower and other battery installers would not propose storage projects where interconnection would cause hosting capacity issues. Chafetz added that batteries that net export still reduce electric load at substations instead of customer meters. Chafetz said that modest revisions to the proposed changes to the ConnectedSolutions program would maintain battery uptake.

### ***Collin Durette (Utility Energy)***

Durette commented that the Mass Save program historically had a retail-style environment where contractors had higher profit margins with average project volumes, but the current weatherization contractor pricing is harming the long-term financial health of contractors. Durette said that since contractors are now operating on lower profit margins combined with lower project volume, jobs are not profitable and many are considering leaving the Mass Save program. Durette said that most contractors are operating at 50% or lower capacity compared to prior years. Durette said that the contractor pricing that was determined by the 2022 pricing request for quotes (RFQ) did not match the Consumer Price Index. Durette stated that the long-term financial forecast for contractors is meek and encouraged people to consider this outlook as the next pricing RFQ approaches.

### ***Patrick Mclaughlin (Mclaughlin and Williams Insulation)***

Mclaughlin recommended that the PAs not score contractor responses to the pricing RFQ based on increases in pricing, given the increases in materials, fuel, and rent costs. Mclaughlin said that contractors proposed their price increases based on materials experiencing the sharpest cost increases, which should not impact quarterly contractor scoring. Mclaughlin indicated that many contractors lost their Tier 1 rankings due to lower sales, but sales rates and price increases are not

related to customer service. McLaughlin said that the low contractor pricing and flawed scoring methodology will force contractors to leave the Mass Save program.

***Susan Olshuff (Ener-G-Save)***

Olshuff, of the Springfield Community First Partnership, stated that they receive customer complaints daily. Olshuff said that community action agencies (CAAs) serve target communities, but many CAAs are understaffed. One CAA has a team that slowly completes all project work from the audit to equipment installation, while another has separate agencies completing each project phase which requires several appointments. Olshuff said that target communities house many elderly people, non-English-speaking people, and people with multiple jobs that require streamlined participation. Olshuff also said that the Community First Partners have been unable to assess CAA performance in 2022 so it is unclear if the goals of the Partnership are being met.

Villanueva joined the virtual meeting at 1:33 PM.

**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.

***January Executive Committee Meeting Minutes***

Bodemer motioned to approve the January Executive Committee meeting minutes as submitted. Abbe seconded. All were in favor, with none opposed or abstaining. The January Executive Committee meeting minutes were approved, as submitted, by the Executive Committee.

***January EEAC Meeting Minutes***

Abbe stated that on page 7, the sentence regarding heating and cooling consultations should read, “Abbe suggested that the PAs advise the Council on how it can help publicize the heating and cooling consultation service.” Abbe motioned to approve the January EEAC meeting minutes as amended. Rio seconded. All were in favor, with none opposed. Harak abstained. The January EEAC meeting minutes were approved, as amended, by the Council.

***Department of Energy Resources (DOER) Updates***

McCarey announced that she and Commissioner Woodcock would attend the National Association of State Energy Offices this week to discuss IRA funding, which will allocate \$145 million in funding for the Department of Energy Resources (DOER) to administer in 2023. McCarey said that the Department of Energy issued a request for information (RFI) to solicit

stakeholder feedback on the HOMES Measured Savings Incentives and High-Efficiency Electric Home Rebate programs, and added that DOER wants input by the March RFI deadline.

### ***Program Administrator Updates***

Lyne restated that an April 28, 2022 indictment was opened against Joseph and Chris Ponzo, Mass Save weatherization and electrical service providers. The Federal Bureau of Investigation arrested the Ponzo brothers because they allegedly allocated improper benefits to their companies and bribed a lead vendor employee. On January 26, 2023, a superseding indictment was filed that includes additional charges of tax fraud and alleges that another lead vendor employee was involved. Lyne said that this is an ongoing criminal matter so there is no determination of guilt. The PAs are reviewing each allegation, but to date, no PA employees have been accused of involvement in the indictment. Lyne said that the PAs work diligently to operate programs effectively and are disappointed by the allegations. McCarey said DOER is reviewing the superseding indictment and shared it with the Department of Public Utilities for their review.

Peters, on behalf of the PAs, provided an update on year-to-date weatherization projects and home energy assessment (HEA) wait times. Peters shared that there was an increase in HEAs from December 2022 to January 2023 coupled with a slight decrease in completed weatherization jobs, but the data does not reflect all completed projects due to a data lag. Peters said that CLEAResult and RISE Engineering, Mass Save residential program vendors, are scheduling HEAs through the end of April depending on location, but home performance contractors (HPCs) have immediate availability during the coming weeks. Peters said that the lead vendors have worked to transfer customers in order to reduce wait times; these efforts included 5,000 emails communicating the opportunity to reschedule HEAs for earlier dates. Peters noted that only 2.5-4.5% of email responses have resulted in rescheduled HEAs and weatherization wait times are 2-5 weeks across all vendors. Peters said that independent insulation contractors (IICs) have thousands of jobs spread across one hundred contractors, which is why the PAs have promoted direct weatherization to bring in more jobs. Peters said that 28 of 56 IICs trained in direct weatherization are actively participating and 200 of 300 scheduled jobs have been completed. Lead vendors have reported that the percentage of HEAs that identify weatherization opportunities is decreasing, but customers are showing increased interest in heat pumps. Lastly, Peters said that the PAs are developing the next contractor pricing RFQ and will solicit additional feedback through surveys or meetings.

McCarey said that a more detailed update on weatherization and HEAs will be provided during the March EEAC Meeting.

Johnson commented that verbal updates are insufficient. McCarey said that the Council asked the PAs to provide verbal updates on weatherization and HEAs for February. Johnson said that demotion from Tier 1 to Tier 2 status due to higher pricing bids has reduced project pipelines for many experienced contractors. Johnson noted that most IIC projects result from HEAs performed by lead vendors, but Eversource referred 190 HEAs to HPCs instead. Johnson supported HPCs conducting audits, but suggested that IICs should receive work where appropriate. Johnson questioned the fact that only 2% of customers with pending HEAs rescheduled them to take advantage of earlier openings and requested supporting data from the PAs. Johnson said that

direct weatherization is helpful, but IICs do not generate their own project leads due to limited marketing capacity. Johnson asked when the next weatherization pricing RFQ would be released. McCarey replied that these topics will be discussed in more detail during the March EEAC Meeting.

#### **4. 2023 Council Priorities**

McCarey opened discussion of the 2023 EEAC Priorities and said that the Council survey provided helpful feedback. The survey helped identify critical 2023 Priorities, which would receive focused discussion time during EEAC meetings. McCarey said that the survey results were used to rearrange the Priorities in order of importance and listed three consensus deep-dive meeting topics:

- Income-Eligible Programs and Income-Eligible Electrification Strategy
- Moderate-Income Program Delivery
- Custom Commercial & Industrial Pathway

McCarey stated that the Council can identify other deep dive meeting topics.

#### ***Council Discussion***

Harak suggested that citations and hyperlinks be added to all legislation referenced in the 2023 Priorities for ease of access.

Bodemer noted a recurring theme of streamlining Residential program participation, which should be listed as a 2023 Priority.

#### **5. Adjournment**

Due to a technical problem, McCarey announced that she needed to end the meeting and the remainder of the February EEAC Meeting agenda would be rescheduled.

McCarey, acting as Chair, adjourned the meeting at 2:06 PM.

#### **Meeting Materials:**

- Agenda
- 2023 EEAC Priorities Draft 2.1
- EEAC Weatherization Charts
- PA Active Demand Presentation
- Consultant Active Demand Presentation
- December 12, 2022 EWG Meeting Minutes
- January 11, 2023 ExCom Meeting Minutes
- January 18, 2022 EEAC Meeting Minutes
- Amy Boyd, EWG Statement
- Meg Lusardi, EWG Statement
- Charlie Harak, EWG Statement