EQUITY WORKING GROUP
MEETING MINUTES

Monday, January 8, 2024
Virtual Meeting: Zoom

Equity Working Group Members Present: Mary Wambui, Brooks Winner, Alexis Washburn, Stephanie Terach, Margie Lynch, Kyle Murray, Sonakshi Saxena, Jo Ann Bodemer, Cindy Luppi, Doug Quattrochi, Charlie Harak, William Rose, Jhenny Saint-Surin, Maggie Downey, James Collins

Equity Working Group Members Absent: Ben Cartwright

Other Attendees: Adrian Caesar, Ina Dasso, Kate Peters, Bernetta Morton, Benjamin Silverman, Brian Beote, Chris McClellan, Christina Steiner, Corey Starzman, Cora Funke, David Lyons, Emma Weis, Emma Zehner, Emily Lamb, Joe Nunley, Leah Cohen, Katelyn Mazuera, Sam Nigro, Aladdine Joroff, Melanie Coen, Puja Vohra, Riley Hastings, Sheri Borrelli, Stephanie Terach, Steve Menges, Anxhela Mile, Alissa Whiteman

1. Call to Order

Bodemer, acting as Chair, called the meeting to order at 11:01 AM.

2. Public Comment

Bernetta Morton (GoMortonGreen)
Morton commented that the EEAC left inequity open as a question in the December 20, 2023 EEAC meeting. Morton suggested that reducing greenhouse-gas emissions is laudable, but the state cannot reduce greenhouse gas emissions to achieve its decarbonization goals unless its displacement of fossil fuels addresses equity. Morton said that program data indicates that the program administrators (PAs) have completed zero heat-pump projects in multifamily buildings and a fraction of planned projects in moderate-income homes. Morton added that the PAs have only spent $4 million of $136 million planned for moderate-income customers in the 2022-2024 term and these unspent funds will likely accrue to and benefit market-rate customers. Morton emphasized that the results show that Mass Save programs are not delivered equitably.

3. Equity Working Group (EWG) Updates

Bodemer announced that a batch of EWG meeting minutes were uploaded to the EEAC website and requested comments by January 26.

Collins joined the virtual meeting at 11:05 AM.

4. Renter and Moderate-Income Geography-based and Statewide Offers for 2025-2027

Bodemer stated that the Department of Energy Resources (DOER) collaborated with the PAs to both modify moderate-income strategy for 2024 and develop additional strategies for inclusion in the 2025-2027 Plan.

Offers and Income-Qualification Methods

Peters, on behalf of the PAs, described geography-based offers for rental properties and moderate-income customers which were developed based on EEAC and EWG recommendations.

Harak raised the concern that properties with wealthier tenants would receive rich incentives if tenants are not income verified, but appreciated that the PA intend to target specific buildings. Harak also anticipated additional questions about how the PAs would select buildings and monitor treated buildings over time.

Winner said that it will be difficult to avoid the complications that the PAs outlined, but the overall strategy should continue to emphasize simplicity for participants and reaching more renters. Winner said that a unified, geotargeted offering is most important even though community collaboration is helpful. Winner asked if the PAs will require participating landlords to sign agreements to not increase rents since the incentives will almost match those offered to income-eligible customers. Peters responded that simplifying the offerings while addressing different concerns resulted in several categories for incentives with different eligibility criteria, which could create confusion for customers.

Wambui commented that the complexity of these decisions is not unique to energy-efficiency programs and can be observed in affordable housing and other sectors.

Morton suggested that the PAs develop an equity protocol to standardize incentives. For example, if there is a certain portion of income-eligible residents in a building then all those residents can receive maximum incentives and other residents can receive pro-rated incentives.

Bodemer said it would be helpful to understand whether the PAs would target all rental customers within each targeted geography. Peters clarified that the PAs are targeting all renter-occupied properties that need weatherization services. In addition, the PAs plan to increase cost coverage for pre-weatherization barriers up to 100% (with a potential cap for each project) and provide incentives for appliance replacement. Peters said that the PAs would allow self-attestation of income in 2024 for the moderate-income program and while the general offers for renters and moderate-income customers would apply everywhere, the enhanced offerings for property electrification will apply only to the targeted communities.

Harak highlighted the importance of targeting the appropriate buildings in order to achieve the desired outcomes for electrification and equity. Harak asked Collins if the Low-income Energy Affordability Network and CAAs would serve income-eligible buildings, which Peters confirmed.

Quattrochi acknowledged his conflict of interest as head of the Massachusetts Association of Realtors. Quattrochi said that renters were required to complete detailed applications for rental assistance during the COVID-19 pandemic, which decreased participation due to barriers related to language access and writing requirements for applicants with disabilities and other circumstances. Quattrochi suggested that the PAs should implement a lottery if there are limited funds or too many eligible buildings to ensure that the offerings reach more underserved communities. Bodemer said that the PAs should serve all identified buildings if capacity allows in order to compensate for underserving these customers in the past.

Luppi indicated that a primary concern for the Green Justice Coalition and other local groups is that rent increases will occur following energy-efficiency and electrification upgrades. Luppi encouraged the PAs to collaborate with local partners to tailor solutions for each community.

Bodemer said that DPU Docket 24-15 opened an investigation into energy burdens and affordability, which will examine appropriate measures for making energy affordable to the most vulnerable. Bodemer said the investigation is encouraging and the public may submit comments.

Rose asked how long the geographic-based offerings would take to launch and whether the PAs could do work now to expedite the process. Peters replied the PAs want to prepare the offering before 2025 but need to consider potential DPU orders that may affect eligibility criteria, such as the order on the 2022-2024 Plan that altered the list of environmental-justice municipalities (EJMs). Peters said the PAs will determine which actions they can implement with and without DPU guidance. Bodemer noted that initial suggestions for eligible geographies include EJMs and Community First Partners (CFPs), which is also consistent with EWG recommendations to support CFPs with more resources.

Lynch emphasized the goal of avoiding rent increases due to upgrading rental properties. Lynch differentiated issues related to income and rental status and highlighted the focus on serving buildings in order to provide persistent benefits to renters, regardless of turnover. Lynch said that renters have been underserved by programs as they have limited agency over significant building upgrades. Lynch identified intersectional issues such as income and language affecting renters, especially those between 80-120% area-median income (AMI) or state-median income (SMI), and the need to grant them access to energy-efficiency and decarbonization upgrades.

Washburn asked if the PAs presented the proposal for geography-based offerings to the CFPs and suggested that they could offer valuable feedback on potential implementation challenges and even provide a preliminary participant list. Washburn proposed the inclusion of an affordability agreement for 100% incentives and asked Action for Boston Community Development to share advice on such agreements. Washburn suggested that the PAs share a

letter of interest to compile a list of interested properties and partners, as this approach would help determine the need for technical assistance to guide participants through the program.

Winner encouraged the PAs to solicit feedback from CFPs and summarized feedback that Aladdine Joroff provided on behalf of the Boston CFP:

- Supports self-attestation of income without penalties
- In scenarios in which landlords commit to rent controls, a third party should be able to collect data to monitor compliance with the commitment
- The PAs should allow the CFPs to identify interested customers, as Washburn suggested

Wambui raised the importance of benchmarking and data-informed decision making in EJMs, especially when investing millions of dollars. Wambui said that data is required to help EJMs identify interested participants and understand efficiency baselines. Bodemer acknowledged ongoing discussions at the state level and among PAs regarding the collection of building information.

Quattrochi said that word of mouth will encourage more people to participate, but it will be difficult to accomplish this goal if there are too many caveats to participation. Wambui agreed.

Communities for Geography-based Offers

Bodemer described the selection criteria and proposed communities eligible for geography-based offers, which would target areas with high shares of renters and environmental-justice populations. The PAs compiled data on the percentage of renters and low-and moderate-income renters in each community. The data also included information on delivered-fuels usage and other relevant information. Bodemer said that DOER used this data to propose eligible 17 eligible communities for geotargeted offers, with two additional communities accompanied by specific nuances to their eligibility.

Quattrochi asked if the offerings should apply to census tracts or communities. Bodemer replied that the offerings will initially apply to all renters in selected communities. Winner suggested partnering with CFPs could guide microtargeting within each community, because towns like Framingham have identified both high- and low-income areas. Bodemer agreed and said that DOER and PAs want to avoid calling communities selected for geography-based offers "Environmental Justice Municipalities" because that term is specific to the 2022-2024 Plan.

Wambui commented that the demographic analysis of each community is logical and getting at the root of distributive justice, even though Mass Save will not solve every environmental-justice issue. Wambui added that the PAs can build and deploy partnerships to implement program and offerings even if communities are not CFPs.

Winner seconded Wambui's comments and said that the PAs should implement ambitious and manageable strategies. Winner flagged Fitchburg as a community that is not a CFP but has a notable renter population and offered to engage PAs with municipal contacts there. Winner also said that the initial list of communities is geographically diverse.

Bodemer said that DOER will collaborate with the PAs to refine the list, but another challenge is setting appropriate goals. For instance, Boston has about 219,000 renters spread across several zip codes that will take several years to serve.

Murray expressed support for Wambui and Winner's comments.

Quattrochi said that Framingham and Southbridge should be eligible geographies since a significant share of their residents meet environmental-justice demographics such as income and language isolation. Bodemer replied that DOER will review the renter data to understand why they were removed, but DOER and the PAs will confirm the list of eligible areas once they assess resource constraints.

Wambui said that Boston has received significant program resources and hopes that the PAs prioritize underserved communities if resource constraints exist.

Murray asked how the PAs can ensure that low- and moderate-income renters receive the benefits from enhanced offerings instead of wealthy renters. Bodemer said that the PAs will help direct resources appropriately. Downey confirmed and said that Cape Light Compact has experience targeting buildings through the Cape and Vineyard Electrification Offering.

Bodemer said that the PAs and DOER would share a final list of communities for inclusion in the Draft 2025-2027 Plan.

5. 2024 EWG Meeting Schedule and Topics

Lynch reviewed the schedule and topics for 2024 EWG meetings.

Winner highlighted the importance of maintaining progress of the 2022-2024 Plan, especially concerning equity targets, while developing the 2025-2027 Plan. Winner suggested approaching discussions with an understanding of both progress toward meeting equity targets and intent to refine equity targets. Bodemer acknowledged challenges in accurate reporting and suggested discussing equity targets in March. Winner agreed and mentioned that initiatives like the Renter Strategic Plan and Language Access Plan are important considerations for the 2025-2027 Plan. Lynch noted that a full second-year report on equity targets would be available in February, which aligns well with the goal to discuss equity targets in March. Peters said that the PAs are balancing budgets, rate impacts, and bill impacts in equitably achieving GHG reductions, but recognize the critical role of equity in the planning process.

Wambui suggested that understanding delivered-fuel consumption by customer segment is an example of data that would help the PAs balance equity priorities and GHG goals. Winner indicated that 91,000 renters have delivered-fuel heating in spreadsheet that Bodemer reviewed and added that targeted program designs might help achieve energy-cost savings and equity and climate goals simultaneously. Lynch said that electric-resistance heating is still prevalent and presents significant opportunities for energy savings. Wambui noted that some customers use electric-resistance heating as a backup, which the PAs should consider in fuel switching for low- and moderate-income customers.

Murray asked if the PAs will offer 100% incentives for pre-weatherization barrier statewide, but 100% incentives for other barriers to electrification such panel upgrades in specific areas. Mazuera confirmed that Murray's understanding is correct and McClellan said that the pre-electrification incentives will cover costs for any additional wiring required for heat-pumps. Bodemer said that the Inflation Reduction Act will also provide some funding to remediate these barriers.

Lynch raised concerns about the potential distortion of the market due to generous heat pump incentives and asked about the approach to turnkey delivery and cost management. Mazuera responded that the PAs are considering a request-for-quotes or pricing study. Peters said that the PAs conduct cost reviews when offering 100% incentives and ABCD and LEAN have experience with providing maximum incentives for income-eligible customers. Lynch also pointed out the use of fixed prices for weatherization services.

Quattrochi requested that anyone with understanding of dual-compressor-air-to-water heat-pumps share information with him.

Bodemer stated that the PAs are being responsive to EWG recommendations and that she looked forward to testing concepts and improving program delivery.

6. Adjournment

Bodemer, acting as Chair, adjourned the meeting at 12:45 PM.

Meeting Materials:

- Meeting Link
- Agenda
- September 22, 2023 Equity Working Group Meeting Minutes
- September 28, 2023 Equity Working Group Meeting Minutes
- November 6, 2023 Equity Working Group Meeting Minutes
- Geography-based Offerings Document – DRAFT
- Proposed Communities for EWG – DRAFT
- Equity Working Group 2024 Schedule – DRAFT