EQUITY WORKING GROUP
MEETING MINUTES

Monday, March 4, 2024
Virtual Meeting: Zoom

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

Equity Working Group Members Absent: (None)

Other Attendees: Adrian Caesar, Ina Dasso, Alissa Whiteman, Benjamin Silverman, Brandy Chambers, Brian Greenfield, Chris Lavallee, Chris McClellan, Cora Funke, Corey Starzman, Danilo Morales, David Lyons, Dylan Vorhees, Emily Lamb, Emma Zehner, Joe Nunley, Katelyn Mazuera, Keith Cronin, Leah Cohen, Melanie Coen, Pam Hill, Riley Hastings, Sam Nigro

1. Call to Order

Bodemer, acting as Chair, called the meeting to order at 11:02 AM.

2. Public Comment

No meeting participants provided public comment.

3. Equity Working Group (EWG) Updates

Bodemer reviewed the EWG Charter which the Department of Energy Resources (DOER) revised to establish the EWG as a permanent EEAC subcommittee and require membership by three voting members of the EEAC. Bodemer added that the revised charter describes the procedure for approval and posting of EWG meeting minutes. Bodemer said the EEAC will vote on the revised EWG Charter during the March 20 EEAC meeting.

Collins and Saint-Surin joined the virtual meeting at 11:10 AM.

4. 2023 Equity Targets: Results

Results Presentation
Lynch, on behalf of the EEAC Consultants, reviewed achievement of 2023 Equity Targets for participation by renters and small businesses, heating-system replacements and weatherization projects for moderate-income customers, language isolation, and Community First Partnerships.

EWG Discussion
Quattrochi asked if the 2023 Equity Targets are contractual or aspirational. Lynch replied that the targets are aspirational because the goal was to increase the focus on strategies to achieve equitable outcomes. Bodemer said that the performance-incentive mechanism includes an equity component to meet the same goal.

Saxena explained that the 2022 cohort of Community First Partners (CFPs) signed three-year-term agreements and the 2023 cohort signed three-year-term agreements, so the PAs intended to not create a 2024 cohort of new CFPs. Lynch suggested that the reported data differentiate each cohort by year for clarity.

Quattrochi noted that the PAs did not meet the Equity Target for participation by small businesses and asked if any PAs or members of the EWG focus on small-business strategy. Quattrochi said that the revised EWG Charter should require a representative of small businesses. Lynch said that the PAs did not meet the Equity Targets small businesses, moderate-income customers, or language-isolated customers.

Bodemer said that the 2025-2027 Plan will target renters because targeting moderate-income homes in the 2022-2024 Plan has been less effective. Lynch said that renters are a focus, but moderate-income customers will still be eligible for enhanced incentives.

Wambui celebrated the fact that the PAs have established Equity Targets and encouraged them to meet or exceed the Targets in 2024 and beyond.

Luppi seconded Wambui's comments and recognized that barriers for moderate-income customers may necessitate changes to rate structures. Luppi expressed appreciation for the spirit with which the PAs and EWG have addressed multi-layered concerns around equity.

Winner agreed that the existence of detailed equity reporting is an achievement which represents progress. Winner said that there is temptation to overreact to areas of underperformance, but the PAs are establishing baselines and the foundation for work that will continue moving forward. Winner said that the PAs can use reported data as a diagnostic to inform corrective action.

Bodemer stated that the PAs will provide monthly updates on equity during EEAC meetings, with quarterly discussions on Equity Targets.

5. 2025-2027 Plan Equity Targets

Review of Targets

Chambers, on behalf of the PAs, reviewed draft-equity-reporting requirements for 2025-2027 including monthly and quarterly reports on equity metrics. Chambers proposed using census data to define customer categories in reporting.

EWG Discussion

Winner commented that serving customer segments proportional to their share of the total population would make sense if there was not historical inequity, but the PAs should consider overinvesting in underserved segments to achieve distributive justice. Lynch agreed.

Lynch asked if the proposal to use an aggregated target for heat-pump installations and weatherization projects for low-income customers, moderate-income customers, and renters is appropriate. Chambers responded that the PAs have a strong preference to aggregate the target due to significant overlap between each of the three customer segments and challenges with differentiating each group using census data. Chambers said that the PAs can report customers as income-eligible if they complete income verification, but the PAs do not require renters to verify their income because they get 100% incentives for weatherization.

Wambui asked if the proposed aggregation of Targets would group moderate-income customers with market-rate customers. Chambers said that the proposed Target would include weatherization projects for renters and low- and moderate-income customers within the 21 communities eligible for geography-based offerings. Chambers said that this approach would not likely capture wealthy renters and census data indicates a small share of low- and moderate-income homeowners. Wambui replied that she manages 180 households, half of which are owned by moderate-income customers. Chambers said that the challenge in reporting impacts the multifamily program due to overlap between moderate-income and renter populations in the census data.

Luppi agreed with Wambui that the proposed approach does not align with the EWG's goals. Chambers said that the EWG wants to track low- and moderate-income homeowners separately from low- and moderate-income renters, but the PAs have been considering the appropriate grouping. Wambui said that it makes sense to track moderate-income Targets separately since moderate-income customers are a target segment and the PAs allocated funds to specific offerings. Lynch noted that the moderate-income offerings are modeled to reach moderate-income homeowners. Chambers confirmed but said that the PAs would adjust moderate-income offerings for 2025-2027.

Whiteman clarified that moderate-income customers in 2-4-unit buildings receive 100% incentives for weatherization, so there is no reason for income verification unless an income-eligible customer wants to enroll on the discount rate.

Winner suggested that it is appropriate to distinguish renters from moderate-income customers, despite the overlap in populations, because renters have been underserved by Mass Save programs. Winner said that the Targets should differentiate homeowners and renters with different income status to effectively incorporate intersectionality. Winner said that reporting should acknowledge different customer characteristics in order to equitably serve customers with

different socioeconomic status. Bodemer noted that the programs provide 100% incentives to renters for specific measures.

Winner stated that improving delivery methods, geotargeting offerings, and easing the income-verification process are also methods to improve participation by underserved customers. Winner asked if program evaluation could assess the effectiveness of geotargeted offerings and inform further improvements. Bodemer commented that the EWG needs to separate equity reporting from Equity Targets, because reports can disaggregate customer segments while Targets can apply more broadly to entire customer segments. Bodemer said that the PAs are capable of producing granular reports but may aggregate Targets for customer segments with significant overlap if appropriate.

Quattrochi commented that program results indicate significant underperformance in serving renters, which warrants reporting metrics on renters wherever possible to confirm that programs are reaching target customers. Bodemer noted that the Nonparticipant Study identified older customers on fixed incomes, moderate-income customers, and renters as underserved. Bodemer agreed that the PAs should establish Targets for moderate-income households, but noted that the 21 geotargeted communities are different as they have high concentrations of moderate-income renters. Chambers said that the PAs have a statewide Target for serving low- and moderate-income households. Winner explained that Equity Targets differ from goals in that they send a message about equity and guide programs in the right direction. Winner said that the EWG has concerns about providing rich incentives to wealthier renters and inappropriately grouping customers segments for the Equity Targets, even though the objective is to serve renters and low- and moderate-income customers in target communities.

Wambui suggested that disaggregating results across customer segments is critical for understanding program impacts on targeted communities and achieving distributional equity.

Quattrochi said that aggregating all renters into one category for targets may not produce equitable outcomes. Bodemer asked how this would occur if the PAs deliver geotargeted offerings for renters in communities with high concentrations of low- and moderate-income renters. Quattrochi said that the housing-cost crisis will exacerbate participation barriers for renters, but the PAs could request information on renter incomes in an optional survey to facilitate data collection without creating additional barriers.

Winner seconded Quattrochi's recommendation that an optional survey on income would provide beneficial metrics to help understand progress without creating barriers. Washburn agreed and asked if there are different metrics for understanding participant demographics and uptake across different offerings, such as weatherization services and HEAT Loans. Washburn said that it is helpful to understand participation trends across different income levels. Bodemer replied that the PAs can track and report income-stratified trends for barrier mitigation, heat-pump installations, and HEAT Loans, so the EWG could recommend moderate-income Targets in these areas. Bodemer suggested that there are other methods to track participation by income segment. Chambers said the PAs can deliver an optional survey, but income verification is more likely to provide sufficient data to inform goal setting.

Murray asked what barriers prevent more customer from performing income verification. Chambers replied that time constraints are a likely barrier because simplifying the income-verification process has done little to increase verifications. Chambers said that the PAs are continuing to refine income verification but such changes take time to implement.

Quattrochi suggested that the Equity Target for mitigating pre-weatherization barriers could track the percentage of homes with identified barriers that actually complete weatherization projects. Chambers agreed and added that the PAs could review historical percentages and aim to increase total conversions for homes with pre-weatherization barriers. Chambers clarified that most PAs do not track pre-weatherization barriers at the same granularity and may have to confirm reporting capabilities with their vendors. McClellan said that meaningful trends for remediating pre-weatherization barriers and weatherizing these homes will take significant time.

Wambui said that barrier mitigation is not new, the PAs have offered incentives to remediate barriers, and they should have the data to inform Targets. McClellan agreed that the PAs have tracked data on pre-weatherization barriers, but the concern is that the market-rate program has never offered such incentives and systematically tracked these barriers. Wambui reiterated that the PAs should set a Target for weatherization following the remediation of pre-weatherization barriers. Winner recommended that the first year during which the PAs collect data serve as a baseline to inform Targets for the following year.

Bodemer said that the PAs should report investment in incentives and other program costs for low- and moderate-income customers. Chambers responded that the PAs can report on low- and moderate-income incentives but are unable to break out marketing costs and spending on CFPs in the same manner.

Quattrochi commented that Spanish and Portuguese customers face language access barriers, but emphasized that languages that do not use a Latin-character set face the same barriers.

Lynch recommended that the PAs set an outcome-based Target for language services, such as virtual-home-energy assessments, and home-energy assessments (HEAs) offered in languages other than English. Lynch agreed with Quattrochi said that such efforts need to expand beyond Spanish and Portuguese. Lynch said that the PAs should complete the Language Access Plan, which should include strategies to accommodate more languages between 2025 and 2027. Winner, Bodemer, and Wambui supported this recommendation. Chambers said that the PAs will determine how to establish a number for this Target and said that the PAs are working to find energy specialists who speak more languages. Lynch clarified that the EWG does not expect energy specialists and assessors to speak every language, but they all need effective communication and translation capabilities, particularly to translate vital documents like contracts.

Quattrochi said that he used a phone-interpretation service to interview an applicant for rental housing who did not speak English and said that the PAs can use similar tools. Chambers indicated that the PAs tried phone interpretation, but program services are very technical which made these translation service challenging to use.

Bodemer stated that although the Massachusetts Clean Energy Center (Mass-CEC) leads many workforce-development efforts, the PAs should track their contracting with minority- and women-owned businesses. Bodemer said the EWG and PAs will continue to develop metrics for workforce development for the 2025-2027 Plan.

Lynch said that one finding from the Workforce Disparity Study is that Black-owned businesses do not participate in Mass Save programs, and that the full study could inform Equity Targets for workforce development. Lynch asserted that best-practice recommendations from the Workforce Disparity Study are some of the best of any evaluation study and said that the EWG should discuss its findings in detail.

Winner asked if the EWG will omit any 2022-2024 Equity Targets from the 2025-2027 Plan. Bodemer indicated that the PAs will no longer report metrics for partnerships outside of the CFPs. Lynch said that the Target for weatherization projects following HEAs performed in languages other than English is not included in the current list of metrics. Lynch added that the PAs will conduct review of the CFP through formal evaluation, but evaluation studies are retrospective and the PAs have been unable to provide annual data on the CFP to date.

Wambui thanked Lynch for raising the lack of reporting on the CFP because the initiative is supposed to be a vehicle for geographic equity. Wambui requested that the PAs provide regular reports instead of waiting several years for formal evaluation.

Bodemer indicated that the Department of Energy Resources and PAs will iterate on the recommended Equity Metrics for 2025-2027. Bodemer also said that the next EWG meeting is scheduled for after the release of the April Draft 2025-2027 Plan.

6. Adjournment

Whiteman, acting on behalf of the Chair, adjourned the meeting at 12:44 PM.

Meeting Materials:

- Official Meeting Notice
- Meeting Link
- Agenda
- Program Administrator Updates on Priority EWG Recommendations
- Summary of Equity and Geographic Strategies for 2025-2027
- List of 2025-2027 Communities for Geographic Strategies