EQUITY WORKING GROUP
MEETING MINUTES

Monday, April 8, 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, Corey Starzman, Aladdine Joroff, Aisha Khiyaty, Bernetta Morton, Brian Greenfield, Briana Kane, Chris McClellan, Danilo Morales, Emily Lamb, Emma Zehner, Griff Keating, Joe Nunley, Kate Peters, Katelyn Mazuera, Leah Cohen, Lindsay Henderson, Melanie Coen, Pam Hill, Renwick Paige, Rachel Evans, Robert Eckel, Zack Lippert, Jennifer Applebaum

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.

Downey joined the virtual meeting at 11:10 AM.

3. Equity Working Group (EWG) Updates

Bodemer announced that the Department of Energy Resources (DOER) would accept statements of interest for membership on the EWG through April 10, as the EWG Charter requires membership by seven voting Councilors. Bodemer said that the Council would elect a seventh voting Councilor to the EWG during the April 24 EEAC meeting and the EWG would select a third representative for organizations that advocate on behalf of underrepresented or disadvantaged populations.

4. Draft 2025-2027 Plan: Equity Overview

Program Administrator Presentation

Terach, Collins, Mazuera, Saxena, Lippert, and Downey, on behalf of the program administrators (PAs), presented an overview of equity strategy for the 2025-2027 Plan. Terach reviewed the pillars of equity strategy including reducing greenhouse-gas emissions, enhancing program access, improving customer experience, and workforce development. Collins and Mazuera described strategies to serve low- and moderate-income customers and improve delivery of program services. Saxena explained how the PAs will enhance language access for customers that speak languages other than English and bolster funding for Community First Partners (CFPs). Lippert summarized support for schools and small businesses in equity communities including enhanced incentives, training for facility staff, and technical assistance. Downey reviewed equity-related investments and goals for heat-pump installations and weatherization projects. Lastly, Applebaum discussed collaboration between the Massachusetts Clean Energy Center (Mass-CEC) and PAs to diversify and strengthen the workforce.

EWG Discussion

Quattrochi expressed concerns about slowing down weatherization, but acknowledged the 65% increase in weatherization projects in the 2025-2027 Plan compared to the prior ten years. Quattrochi asked if the Council should invite people from neighboring states like Connecticut and Rhode Island to discuss equity strategy in Massachusetts. Quattrochi said that he was impressed by the content in the PA presentation.

Luppi asked if the April Draft Plan reflects the recommended threshold for income eligibility based on 80% area/state-median income (AMI/SMI) instead of 60%. Bodemer replied that the PAs did not agree to threshold; however, the moderate-income program, for customers at 61-80% AMI/SMI, will use a "quarterbacking" model with enhanced incentives similar to that of the income-eligible program implemented by the Low-income Energy Affordability Network (LEAN). Bodemer added that the PAs have a statutory requirement to spend 10% of the electric-portfolio budget and 20% of the gas-portfolio budget on income-eligible programs, so redefining the income-eligibility threshold may have unintended consequences.

Murray agreed with Quattrochi that the PAs have developed an impressive Plan and suggested that the PAs present 2025-2027 Plan data compared to the 2022-2024 Plan. Murray said that his home-performance contractor has benefitted from program changes, including improvements to income verification and serving moderate-income customers, and encouraged the PAs to continue expanding on these improvements.

Wambui asked if the PAs applied distributive-equity principles in the Plan and why the narrative did not explicitly mention distributive equity. Saxena responded that the PAs considered distributive justice in the bottom-up approach to decarbonization by increasing program access for underserved customers and communities. Saxena said that the next Draft Plan will describe distributive justice more thoughtfully. Wambui said that the PAs should use language that reflects how serious they are about equity because 300 pages of content that does not mention distributive equity is procedurally unjust. Wambui asked why the PAs characterize underserved

customers as those who have "historically participated at lower rates" in the Plan narrative rather than "underserved" (the term used in EWG discussions.) Wambui suggested that the language in the Plan creates a power dynamic that places the burden of being underserved on the customers. Wambui said that program design has created barriers to participation, so the PAs need to be accountable for not serving customers equitably. Wambui highlighted the progress in equity to date, but said that the PAs and EWG need to acknowledge problems in order to solve them. Bodemer said that the PAs have an opportunity in the next Draft Plan to more explicitly communicate that Mass Save takes equity and distributive justice seriously. Bodemer also said that Massachusetts can set the precedent for other states looking to solve their own equity issues in energy-efficiency programs. Bodemer appreciated the Pas' collaborative approach to developing and discussing the Plan with the EWG.

Winner seconded Wambui's comments and said that the Plan references "nonparticipants" over twenty times, whereas the term "underserved" appears about twice. Winner clarified that the EWG does not expect the PAs to rectify all past inequity and injustice in one three-year plan, but it does expect clear progress toward distributive justice and equitable access to programs. Winner said that the $1.4 billion proposed for equity investments makes Massachusetts a national leader, but the standards set by other states are low. In revising the 2025-2027 Plan, Winner recommended that the PAs clearly explain the strategies to achieve distributive justice. Winner asked if 10,000 income-eligible heat-pumps is sufficient and whether the customer experience will be simple enough to enable Community First Partners (CFPs) to explain program offerings to their respective communities. Peters requested that the EWG engage the PAs to refine the language in the Plan, which will then flow into actual strategies and program designs. Wambui directed the PAs to review the EWG recommendations for the 2025-2027 Plan. Winner said that the EEAC Consultant presentation includes helpful context on demographics which is helpful for understanding equity strategy. Saxena indicated that the PAs are focused on installing heat-pumps for customers heating with electric-resistance and delivered-fuel systems in order to avoid exacerbating energy burdens. Saxena also said that the PAs will consider the high rate of electrification in 2023 as they refine the 2025-2027 Plan. Collins said that the PAs reviewed program-performance data and assessed the existing delivery infrastructure to inform the April Draft Plan, but anticipated that interest in electrification would continue to grow.

Quattrochi said that the Plan should clearly explain offerings for renters as the narrative listed renter incentives under a moderate-income heading which made it unclear. Bodemer agreed and suggested that the charts in the PAs presentation be added to the Plan narrative to clarify offerings for different customer segments.

Wambui asked if the focus on schools is a new initiative and whether it will target specific schools to achieve equity. Bodemer said that the PAs, Massachusetts Clean Energy Center (Mass-CEC), and DOER want to build a program that can successfully decarbonize disadvantaged schools which leverages funding sources across the state.

Winner announced that he is convening a group of municipal stakeholders this month to solicit their input on the Plan and encouraged the PAs to reach out with questions.

Quattrochi asked if all residents in a mixed-income building will be eligible for 100% incentives for pre-weatherization barriers. Saxena responded that the offering is specific to the targeted geographies, so mixed-income properties will be eligible for 100% barrier-mitigation incentives and turnkey services for all tenants. Saxena clarified that LEAN would continue to serve income-eligible buildings.

EEAC Consultant Presentation

Lynch, on behalf of the EEAC Consultants, presented a review of equity data included in the Draft 2025-2027 Plan and questions stemming from initial quantitative analysis.

EWG Discussion

Wambui commented that the EEAC Consultant presentation makes clear that income-eligible customers will most likely bear the burden of paying for stranded gas assets and asked if the Commonwealth is considering this issue. Wambui said that delivered-fuel conversions need to increase but emphasized concerns about income-eligible customers who cannot afford to convert from fossil fuels (including gas systems) to electricity due to higher utility costs. Bodemer said that gas-system assets are the focus of many discussions and the specific focus on Department of Public Utilities (DPU) Docket 20-80. Additionally, Bodemer said that several rate cases are considering modified electric rates to support fuel switching, as the DPU is concerned about the affordability of electrification. Bodemer said that Docket 20-80 wants to center the transition away from gas around vulnerable customers.

Quattrochi said that it is problematic to defer the transition away from gas due to current costs because mitigating barriers and weatherizing income-eligible homes will prepare them for electrification. Quattrochi suggested that heat-pump installations should come after weatherization and the presentation indicates that the PAs are investing a lot in barrier mitigation. Bodemer concurred that low- and moderate-income customers will be more prepared for the transition if the PAs drive weatherization in 2025-2027.

Murray seconded Wambui's concerns about stranded gas costs and said that the state is establishing an Office of Energy Transformation to plan for a just transition away from gas. The Office of Energy Transformation will consider both bill impacts from electrification and costs from stranded gas assets. Murray asked if the PAs could disaggregate investments for renters and low- and moderate-income customers. Murray also asked if the PAs could present program spending and savings disaggregated by end use, with particular emphasis on insulation and electrification of space and water heating. Murray added that this reporting would be helpful if it further differentiated end-use level data by customer segments.

Luppi said that the number of income-eligible heat-pumps seems very low and asked if the PAs can share the number of low- and moderate-income customers heating with delivered fuels. Luppi anticipated that the PAs can capture significant savings from converting delivered-fuel systems to electric-heating systems. Luppi stated that the EWG has a compelling role to discuss how rate reform might remove barriers to an equitable transition away from fossil fuels.

Winner supported the Pas' intent to exceed the statutory requirements for spending on income-eligible programs, but recommended that the PAs overspend on underserved customers to

account for historical inequity and achieve distributive justice. Winner expressed excitement about planned investments in language access, but flagged that the PAs should not lump all languages other than English into one category. Instead, the PAs should track and report how many home-energy assessments and projects are completed in homes that speak languages other than English broken down by each language, in addition to how many workers speak each language.

Wambui asked if the PAs will track the number of renters in the targeted geographic regions eligible for enhanced offerings. Wambui asked if the PAs will publish measure-level data, as transparency in data reporting is important for equity. Bodemer said that the PAs report measure-level data as part of the key-performance indicators (KPIs). Wambui said that she wants to understand the type of measures each participant is installing.

5. Draft 2025-2027 Plan: Equity Targets

Review of Targets

Whiteman asked the EWG to discuss any priorities for equity reporting and explained that some existing data is statewide, while other data are specific to equity communities and measure categories.

EWG Discussion

Bodemer noted that the PAs are required to report total investment and total contributions to the energy-efficiency surcharge by zip code on an annual basis.

Wambui stated that investment is still crucial data point for supporting equity and added that workforce-development metrics and heat-pump projects are important to track.

Winner suggested that the PAs continue to report investment in CFP communities, which he hoped would increase in the 2025-2027 Plan. Winner said that the PAs should assess the impact of the CFPs.

Luppi agreed with Wambui and Winner. Luppi also suggested that the PAs should explore data that will facilitate transitioning low- and moderate-income customers from delivered fuels to electricity.

Murray said that breakdowns of investments and participation in target communities will help; such data can be expressed in per-capita terms which will allow for comparisons between communities.

Quattrochi suggested that the PAs report the number of barrier-mitigation upgrades, particularly in environmental-justice municipalities.

Rose said that weatherization projects, participation by renters, and conversions from delivered-fuel and electric-resistance heating for low- and moderate-income customers are all valuable metrics.

Collins expressed support for the EWG recommendations.

Winner commented that the 2022-2024 Equity Targets established a good foundation for equity metrics and said the PAs should build on the foundation instead of reinventing all the KPIs.

Bodemer indicated that Whiteman will assess the degree to which the April Draft Plan responded to the EWG recommendations to inform discussion at the May EWG meeting. Bodemer emphasized that this represents the final opportunity to significantly impact the equity recommendations for the 2025-2027 Plan.

Winner asked if non-EWG members can share comments at the public comment listening sessions for the 2025-2027 Plan. Bodemer confirmed and said that there are listening sessions scheduled on April 17, May 13, and June 3.

6. Adjournment

Whiteman, acting on behalf of the Chair, adjourned the meeting at 1:01 PM.

Meeting Materials:

- Official Meeting Notice
- Meeting Link
- Agenda
- 2025-2027 Plan Equity Overview – PA Presentation