MA ENERGY EFFICIENCY ADVISORY COUNCIL

MEETING MINUTES

Wednesday, November 20, 2024
Virtual Meeting via Zoom

Councilors Present:	Greg Abbe, Commissioner Elizabeth Mahony, Daniel Leary, Brian Beote, Audrey Hettinger, Paul Johnson, Meg Lusardi, Steven Miller, William Rose, Mary Wambui, Alexis Washburn, Sharon Weber, Brooks Winner
Councilors Absent:	Kyle Murray, Robert Rio, Cindy Carroll, Maggie Downey, Michael Ferrante, Martijn Fleuren, Kate Peters, Chris Porter, Stephanie Terach, Jillian Winterkorn, Tim Costa
Consultants Present:	Eric Belliveau, Adrian Caesar, Gretchen Calcagni, Margie Lynch, Griff Keating, Bob Wirtshafter
DOER Staff Present:	Ina Dasso, Alissa Whiteman, Ian Finlayson, Jo Ann Bodemer, Rachel Evans

1. Call to Order

Bodemer, acting on behalf of the Chair, called the meeting to order at 1:01 PM.

Virtual Meeting Procedure
Bodemer reviewed the virtual EEAC meeting procedure:

1. The Council meeting would be recorded for administrative purposes only.
2. All attendees except for Councilors and presenters will 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 roll call.

2. Public Comment

Steve Cowell (Northeast Energy Efficiency and Electrification Council)
Cowell noted that updated climate legislation was passed by the House and the Senate but not signed by the Governor. Cowell said someone who understands the climate legislation should present on the overlap and integration with MassSave at the next Council Meeting. Cowell said the Council needs to bring MassCEC to EEAC Meetings to have closer and consistent communication. Cowell said this was included in the legislation for 2028, but the Council should include them as an informal participant sooner. Cowell said that doubling the greenhouse gas emissions reductions will create an additional $15-16 billion increase in cost, so we need to find a lot of additional funding. Cowell said the Office of Energy Transformation (OET) had its first meeting, so OET, Mass Save, and other legislation should work together. Cowell asked how new federal plans will be integrated under the Trump administration. Cowell there will be a state-level challenge to address the issues we care about while reacting to federal plans that will come forward.

Kit Wu (Laminar Collective)
Wu commented that he has been organizing to get people heat pumps in Cambridge and Boston. Wu wanted to give customers market information on high quality contractors with affordable prices. Wu said the per ton rebate incentive is a risk to Cambridge and other places. Wu said the whole home rebate starts next year, which will be $3000 per ton and decreases over time. Wu said this is risky due to oversizing. Wu said most units will install 2-ton systems, but contractors may oversize systems to increase the rebate amount; this can result in adverse bill impacts. Wu said the next Plan will allocate $1.9 billion for Income-Eligible communities. Wu said he supports this ambitious Plan, especially coupled with other legislation and rate changes. Wu said there may be capacity constraints, so he is excited to see things like the statewide production board that will improve coordination with the CAP agencies. Wu hoped that the PAs will communicate clear timelines on when initiatives will launch.

3. Council Business and Updates

September ExCom Meeting Minutes
Bodemer asked if Councilors had any revisions to the September ExCom Meeting Minutes. No members of the Council proposed revisions to the Meeting Minutes. DOER, as chair of the Council, approved the September ExCom Meeting Minutes as submitted.

October ExCom Meeting Minutes
Bodemer asked if Councilors had any revisions to the October ExCom Meeting Minutes. No members of the Council proposed revisions to the Meeting Minutes. DOER, as chair of the Council, approved the October ExCom Meeting Minutes as submitted.

September EEAC Meeting Minutes
Bodemer asked if Councilors had any revisions to the September EEAC Meeting Minutes. No members of the Council proposed revisions to the Meeting Minutes. DOER, as chair of the Council, approved the September Meeting Minutes as submitted.

October EEAC Meeting Minutes

Bodemer asked if Councilors had any revisions to the October EEAC Meeting Minutes. Rose said that the Meeting was hybrid not virtual. DOER, as chair of the Council, approved the October EEAC Meeting Minutes as amended.

DOER Updates
Bodemer said that the December EEAC meeting will be scheduled for two hours since the Program Administrators (PAs) cannot participate, which limits the topics that can be presented. Bodemer said the January ExCom meeting will be on January 8, but DOER will share the full 2025 meeting schedule in December.

Commercial & Industrial Working Group (CIWG) Updates
Chiodo, on behalf of the EEAC Consultants, presented an overview of the CIWG and its areas of focus for the past year including improvements in the custom process and delivery of HVAC measures. Chiodo also identified continued areas for inquiry and collaboration for the 2025-2027 Plan.

Johnson asked if the CIWG will provide annual reports. Chiodo confirmed. Johnson asked if they could provide semi-annual updates. Chiodo said the group meets quarterly, but DOER and the PAs can determine if more frequent updates are necessary.

4. 2025-2027 Plan as Submitted to DPU: Overview

EEAC Consultant Presentation
Calcagni, Lynch, Caesar, and Keating, on behalf of the EEAC Consultants, presented an overview of the filed 2025-2027 Plan, with a focus on quantitative comparisons between drafts of the 2025-2027 Plan, prior plans, and year-end results.

Council Discussion
Johnson said that there is inconsistency; the EEAC Consultants stated there are aggressive goals for weatherization, but the incentives decreased. Lynch said while the Residential and Market-rate budget is lower, the Low-Income budget increased and that the total increase in Low- to Moderate- Income (LMI) spending offset Market-Rate decreases.

Rose noted that the majority of benefits are from greenhouse gas (GHG) reductions and non-energy impacts (NEIs) instead of energy efficiency. Calcagni confirmed. Rose was concerned that these benefits do not accrue to customer bills. Abbe asked how the GHG benefits are valuated because the DPU is reviewing this cost as part of the Plan. Calcagni said that there is a social cost of carbon (SCC) from the Avoided Energy Supply Component (AESC) study that is included in the Plan, and there was a supplemental study on the SCC on which the DPU ruled in its last order. Abbe asked if it was possible that DPU would reduce the SCC value again. Bodemer said that all components of the Plan are subject to review, but the SCC value came from the standard AESC study as directed by the EEA secretary.

Winner commented that the largest portion of equity benefits stemmed from the “Other” category in C&I. Caesar said that this includes all end-uses outside of HVAC, Envelope, and Hot Water, such as lighting controls, process, and food service.

Wambui asked about the quantity of heat-pump-water heaters and said that they were too expensive for an affordable-housing project. Wambui asked if the Council was confident that the program would meet its target. Bodemer said the PAs could better answer that question. Lynch said that water heating measures are the most cost-efficient at achieving GHG reduction goals. Wambui said this does not consider the barriers to installing heat-pump water heaters like sidewall penetrations and envelope sealing challenges.

Johnson said that lighting contributes significantly to small-business programs and asked what percentage of total benefits are from NEIs. Calcagni said that NEIs are separate from GHG emissions, but both represent the majority of benefits in this Plan.

Abbe said that updated federal regulations on refrigerants take effect on January 1, 2025. Abbe asked when these will take effect in Massachusetts and what opinion the HVAC community has on potential impacts. Abbe said that new R32 refrigerants will be slightly flammable as opposed to the old R410a refrigerants. Weber said that Department of Environmental Protection regulations took effect in January 2024 and that the state will issue guidance on applying the regulations in Massachusetts. Commissioner Mahony emphasized that the Board of Building Regulations and Standards will share guidance, not regulations. Beote said that the EPA regulation is that new R410a equipment can only be installed if there is existing R410a equipment. Abbe asked if people may hoard the existing R410a refrigerant stock. Beote said that the installation techniques vary, but people may hoard existing refrigerant stock to service existing equipment.

5. DPU Process to Review 2025-2027 Plan

Evans, on behalf of DOER, summarized the DPU process for administrative review of the 2025-2027 Plan. Evans said the DPU is reviewing ten individual PA plans, which comprise the Statewide Plan filed in October. Evans said the individual plans include testimony from each of the PAs. Evans said that the DPU process for review includes public hearings, discovery questions, evidentiary hearings, and briefing, before it issues its decision at the end of February. The PAs will then need to submit compliance filings to the DPU in response to any changes included in the DPU order.

Council Discussion

Bodemer encouraged everyone to listen to the evidentiary hearings for educational purposes.

Johnson expressed interest in attending the virtual public hearing on December 5 to learn how it differs from other public meetings. Evans said that the Council can attend any public hearing, but the December 5 virtual-public hearing is primarily a session for the DPU to receive public comment. Johnson asked who asks questions during the proceedings. Bodemer replied that any intervenors can ask cross-examination questions during the evidentiary hearings, which start the week of December 9.

Winner asked for the DPU procedural schedule for evidentiary hearings. Evans said the DPU will post this on their website.

6. EEAC Priorities for 2025

Overview

Bodemer said that Councilors will have several opportunities to contribute to the EEAC priorities, but DOER will compile input for review in December and a vote in January or February 2025. Bodemer thanked the Councilors who shared their three priorities for 2025. Dasso shared a compilation of Councilor feedback received to date, organized by topic.

Council Discussion

Washburn said that her priorities focus on monitoring progress on equity targets, coordination with non-ratepayer programs, and streamlining offerings and associated communications.

Johnson said that the 2025-2027 Strategic Evaluation Plan includes embedded evaluation, measurement, and verification. Johnson also supported Fleuren's priorities for workforce development and said that the Council should discuss each topic on a quarterly basis.

Winner prioritized ensuring effective systems are in place to provide timely service delivery, prevent interruptions, and meet Plan goals for Low-Income customers. Winner also prioritized tracking the rollout of the Equity Community offerings, turkey services for Moderate-Income customers, and additional equity initiatives in the 2025-2027 Plan. Winner said the Council should reflect on successes and failures from implementation of the 2022-2024 Plan. Beote clarified that Income-Eligible is the terminology used at LEAN and the CAPs, but the PAs use Low-Income in planning.

Wambui said that the Council needs to track the impact of Income-Eligible heat pumps in homes that did not previously have cooling in their electricity costs. Wambui said that New York has tried to monitor these impacts.

Weber said that turnkey services need to be offered to all customers, and the turnkey offering for Moderate-Income customers is rolling out in 2025. Bodemer said DOER and the EEAC Consultants can determine if there are priorities that should be explored at a later time. Weber reiterated the need for more frequent reporting on measures that are falling behind.

Rose said that enhanced public engagement with the EEAC is important for obtaining feedback on energy efficiency. Rose said that the public should understand the benefits and costs of energy-efficiency programs, because benefits have shifted to decarbonization. More non-ratepayer funding sources should be considered in the next Three-Year Plan.

Hettinger expressed support for Washburn's priorities and Rose's priorities for public engagement.

Lusardi indicated that her priorities related to equity, C&I, and data reporting. Lusardi said that the Council should monitor enhancements to programs and customer service as they are implemented over time. Lusardi said that impacts of the statewide-contact center and custom

processes may be hard to measure but are important to track. Lusardi supported Winner's priority of learning from the 2022-2024 Plan.

Wambui said that MassCEC is developing a home-modernization navigator in Lowell and Springfield, which seems like a decarbonization clearinghouse. Wambui asked how the EEAC can match this tool and assess its value. Bodemer asked if MassCEC could provide updates on the navigator in 2025. Bodemer said that the Council should prioritize relationships with and receive regular updates from stakeholder partners like MassCEC and the CFPs. Wambui said the Council should not lose track of the navigator as it relates to Mass Save.

Johnson requested a report on the rollout and effectiveness of the decarbonization audits. Bodemer replied that decarbonization consultations have been in place since this year, so there is no reporting or assessment yet available. Lynch added that there is also a plan to transition home-energy assessments to decarbonization assessments.

Beote said that it is important to pursue other funding sources and barrier mitigation, particularly pre-electrification barriers. Abbe agreed and said that the Plan should adjust cost-effectiveness testing to consider ratepayer and non-ratepayer funds. Abbe said that this could be transformative for programs. Bodemer agreed but maintained that the PAs and other entities still need to secure outside funding.

Commissioner Mahony said that her priority was homing in on implementation and building on the success of existing work. Wambui asked where the New England Heat Pump Accelerator fits in the priorities. Commissioner Mahony responded that it fits in multiple priorities, but the Council hopes that the Accelerator reduces costs for heat-pumps to stretch program dollars further. Commissioner Mahony said that DOER is still developing a plan for rolling out this offering.

7. 2013-2022 Residential Non-Participant Study

Joint Presentation

Wirtshafter and Isaac Wainstein, on behalf of the EEAC Consultants and DNV (a PA evaluation vendor), respectively, presented findings from the 2013-2022 Residential Nonparticipant Study published in October 2024.

Council Discussion

Bodemer asked if the customer-profile dashboard is updated annually as participation data comes in. Wainstein confirmed.

Weber asked how improved data sources would help the nonparticipant study evolve over time. Wirtshafter said there is now better data than historically, but there is not sufficient customer information to identify customers as renters or Low-Income. Wirtshafter said the study teams leverage all information to improve reporting. Weber said discontinuity in the data set would be fine if it meant improved data accuracy and reporting. Wirtshafter said the study teams have developed much better data over time which has helped with the nonparticipant analysis.

Beote asked if the EEAC Consultants parse out how many of the 950,000 Income-Eligible households are on master meters. Wainstein said many of the households may be public housing or college campuses, so this finding warrants deeper investigation to identify gaps in customer information. Beote said that over 600,000 eligible discount-rate customers not enrolled, which seems shocking. Wainstein said they can look at master-metered data as they have account level information.

Wambui said that there should be unique affordable housing data. Wambui asked how many of the 53% renters are low- to moderate- income customers within underserved communities. Wainstein did not have the number on hand. Wambui said that there is not a limitation to geographic targeting. Wambui said prioritizing underserved communities has worked in other sectors. Wirtshafter said the EEAC Consultants included that slide to acknowledge the limitations of their analysis and agreed that much better information would help with targeting customers. Wirtshafter said, on the other hand, targeting areas with several of the targeted characteristics would likely be successful. Wainstein said the limitation does not imply that something is wrong, but there is a chance that unselected communities may fit the target demographic and vice versa.

Johnson said that there is improvement in hard-to-reach communities, and the gaps are not as large as anticipated. Johnson reiterated support for a participant study. Wirtshafter said participation studies do not always help determine reasons for nonparticipation. For example, the Tennessee Valley Authority created more lakes because they determined that people liked boating via survey, but this resulted in boating becoming an unavailable activity. Bodemer said embedded evaluation will include assessments of why people participate.

Washburn echoed Wambui's comments on reframing geographic targeting. Washburn said that this study does not acknowledge work in the past few years such as the CFPs. Washburn said we should understand how the PAs and DOER are working on benchmarking requirements that will go into effect. Washburn asked if statewide building standards going into effect would provide better data for nonparticipant studies. Bodemer said DOER is cautiously optimistic about a database for building energy reporting and statutory requirements that could be the foundation for a building stock database. Bodemer said building energy reporting will create unique building identifiers connected to advanced-metering infrastructure which can then connect to building-assessment data.

Washburn left the virtual meeting at 3:51 PM.

Winner said that he wanted to assess participation gaps as programs shift toward heat pumps, HVAC, and envelope measures. Winner said that multivariable analysis is important, particularly to the EWG and the PAs, and that evolving data analysis will inform program efforts to help reach underserved customers. Wirtshafter said that there is significant collinearity between customer demographics. For example, renters were identified as a common demographic that are also LOTE, Low-Income, and Moderate-Income customers. Wirtshafter said that programs that serve renters will address other underserved demographics.

Johnson thanked Bodemer for her emphasis on Council discussion and said it helps the Council stay productive and make decisions. Johnson asked why improvements in participation occurred. Wirtshafter said there is more money, offerings, and efforts to improve participation, and there have been more concerted efforts recently to target underserved populations, which will be continually shown in incoming data.

8. Adjournment

Bodemer, acting on behalf of the Chair, adjourned the meeting at 3:57 PM.

Meeting Materials:

- Official Meeting Notice
- Meeting Link
- Agenda
- September 4, 2024 – EEAC Executive Committee Meeting Minutes
- September 18, 2024 – EEAC Meeting Minutes
- October 1, 2024 – EEAC Executive Committee Meeting Minutes
- October 23, 2024 EEAC Meeting Minutes
- C&I Working Group Annual Update Presentation – 2024
- C-Team 2025-2027 Final Plan Presentation
- 2025 EEAC Priorities (by Category)
- Non-Participant Study Presentation