

EEAC Equity Working Group Meeting #3

August 4, 2020 12:00-2:00PM

- **Process Updates (5 min)**
 - The DOER is developing a preliminary fall workshop schedule now, which should be finalized soon.
 - The 4th workshop will be an equity workshop focused on existing buildings. Other workshop topics include workforce development. The working group should aim to develop some recommendations in advance of these workshops.
 - Moving forward the working group will use discussion questions to help guide the group towards developing recommendations. In between meetings working group members will help draft those recommendations.
 - Recommendations should be considered holistically and working group members should pay keen attention to the implications of one recommendation on another.
 - *How do we house the recommendations?*
 - The Consultants will develop a shared workspace to house all recommendations as well as meeting materials and other relevant information.
- **External Stakeholder Updates (5min)**
 - Still waiting to hear back from the GJC. The DOER will send out voting poll once we hear from them. If we don't hear back from them this week we will send out the poll anyway and we can take into account GJC option.
 - Alexis will send a short bio for each candidate.
 - Working group members suggested that we invite GJC members to listen in on the next call if they are unable to select their representative.
- **Working Group Framework (15 min)**
 - DOER will send out a draft framework document following this meeting. Members should provide feedback by 8/14/20,
- **Follow Up on Question of Low-Income Guidelines (20 min)**
 - The under 60% income limit is not defined in the Green Communities Act. The main reason the income eligible program relies on this income limit because it is the same guideline for the LIHEAP program.
 - Moderate income customers could be served by LEAN, the PAs, or a third-party organization.
 - We could offer full program coverage similar to the LI program for MI customers or incentives could be increased for non-weatherization measures.

- LEAN is very successful reaching LI customers because they offer other programs that LI customers take advantage of in addition to the energy efficiency programs.
- Applying for fuel assistance is resource intensive.
- Some working group members expressed concern if we were to raise moderate income to 120% of median income because it would over \$120k in MA. This could dilute the benefits available to customers who are the most vulnerable since the budgets are limited.
- Climate legislation is proposing changing the income bracket for low income to include up to 80% SMI.
 - Under this proposal LEAN would be serving these customers.
- PAs are still discussing the implications of increasing the income limit beyond 60%.
- Increasing the income limit could have significant bill impacts on all customers. The bill impacts will vary by PA.
- If the limit is increased, it would need to be a phased in approach because of the bill impacts. Also a phased-in approach would allow for a ramp up in service delivery to all customers.
- There is a group of customers who have been paying into the program for years and have yet to receive services. These are two sides that will need to be balanced.
- *How do we realistically balance bill impacts with an increased income limit? Would CAP agencies be able to take on the additional work?*
- *What is the percentage of customers that would be served by the market rate program?*
- **Non-Participant Study: Moderate Income Discussion (60min)**
 - PAs and LEAN could do some research on cost implication of moving from 60-80% to 60-120%.
 - *What are other non-income parameters that we may want to prioritize?* For example we have prioritized elderly, children in the weatherization program.
 - *What are the workforce development challenges?* Need to avoid creating a waitlist for thousands of households.
 - *What is the capacity for the CAP agencies to be able to serve these customers?*
 - Does not necessarily mean that the CAPs need to serve moderate income customers.
 - *Are there other higher incentives we should be offering to moderate income in addition to no-cost insulation?*
 - \$12 million of the climate bill funding would go to workforce development and MassCEC would administer the funding
 - Moderate Income Pilot
 - Some customers in the pilot had actually already been served in the LI program.
 - Most customers did not opt to use the financing part of the program
 - *Could the PAs confirm what the current moderate income offer is?*
 - 100% weatherization incentive
 - There have been fewer moderate income verifications this year because of the increased pandemic incentive (i.e. more people are going through the market rate program).
 - DOER offers barrier mitigation grants to customers that go through the moderate income program (in 2019, 66 customers took advantage of the program)

- *Could contractors be paid up front for the barrier mitigation funds rather than them being reimbursed at the end?*
 - It's possible that if the contractors received the funds up front they would be able to increase marketing and outreach efforts.
 - *Are there other increased incentives aside from weatherization?*
 - Moderate income is pretty similar to market rate at this point considering the pandemic.
 - In the past there have been other incentives/rebates offered but that has not continued.
- *How are contractors notifying customers of the barrier mitigation grants?*
- We could have an opportunity to meld multiple goals in the moderate income program. For example we could focus on energy optimization opportunities for moderate income customers.
- No-cost direct install measures are offered but this only includes programmable thermostats.
- Eligible LI customers can receive no-cost heating systems. Usually system costs are around \$7000-\$15000. Mass Save provides around \$4500 and DHCD provides the remaining funding. *Is there other funding that the PAs could leverage to offset the cost of heating systems?*
- PAs currently offer up to \$1400-1500 in incentives and rebates for heating systems for the market rate program.
 - Moderate income could receive an incentive/rebate that is greater than \$1400 but less than \$4500.
 - The consultant team has done an analysis of the PA incentives comparing what current incentives are to what the incentive increase could be. Margie could pull out a few measures of interest.
- Why aren't customers taking advantage of the financing offers? Unclear of why customers do not take advantage of financing. Rebates or higher incentives might make more sense. There may also be times where financing makes more sense.
- What is being offered in the low-income program and what could be extended to moderate income?
 - Heating system replacement through LIHEAP (\$8-12million a year)
 - Appliance replacement
 - LEAN provides project management which may be of interest to customers who have had little interaction with contractors before.
 - LI program has a larger budget for barrier mitigation.
- Alternative financing options could be identified through a needs assessment.
- *How do we get moderate income customers more comfortable with the existing programs?*
 - Need input from community organizations on how to better access the programs
- Non-participant study has a lot of useful information.
 - Clear barriers have been identified: knowledge of programs, trust, time.

- *Should moderate income customers be participating at a similar level to market rate programs?*
 - The goal should be to serve as many customers as possible rather than just trying to close a 6% gap.
- Financing option – credit can be a challenge. *Even if energy efficiency is a priority for a household, how do we remove this barrier to participation?*
- The income verification process for moderate income can be difficult especially if there is a lack of trust.
- We may want to consider using geographic data to target moderate income customers.
- *How do we better leverage community groups to spread awareness about the PA programs?*
- It can be difficult for small organizations to ramp up outreach especially if they only get funding after the fact.
- Lack of awareness is a problem for participation.
- National Grid is planning to develop relationships with community organizations focused on serving LEP customers.
 - Each PA is interested in getting information on local organizations that would make good partners. The working group should plan to invite **All in Energy** to talk about how they practically do outreach and raise awareness.
- In many instances it's rural communities that have high populations of moderate income customers. May need to develop distinct strategies for rural, suburban, and urban communities.
- Many low income programs serve customers that are on the lower end of the low income spectrum. Few customers are close to 60% SMI.
- **Income Verification**
 - California uses an algorithm to identify most customers who are moderate income
 - Property values as a proxy. Would not exclude customers but may require customers with valuable homes to provide additional information certifying their income.
 - Could use census block income information.
 - MassCEC uses tax info as for income verification.
 - PA income verification RFP. Currently evaluating proposals.
- CLC has a different process for income verification. Verifies income in-house since they are a public entity. *Is this a strategy that could be expanded across other PAs?*
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- **Next Steps (15 min)**
 - **Agenda Topics**
 - Continue Moderate Income discussion
 - Begin focus on renters
 - Lay out plan for next several meetings
 - Develop goals for each meeting (i.e. *what do we want to accomplish?*)
 - **Select Facilitator**
 - Margie will facilitate 8/18/20 meeting
 - **Action items**
 - PAs to provide updates on:
 - Municipal partnership strategy
 - Income verification RFP

- Piloting new partnerships with community organizations
 - National Grid is currently working on this in Lowell
 - Data points on approximate cost for increasing 60-80 or 60-120.
 - Send out framework
 - Send out vote
- **Other Business**
 - Could work with the consultant team to develop a framework to what the recommendations could be so that the group could react? During the next meeting. Take it to the next step. Cover this during the next meeting?
 - Need to reach consensus on the income limit for moderate income and consensus on income verification. This would help us move on to other topics. Also need some consensus on what is being offered to these customers.
 - Invite GJC to listen in on next meeting