

BOSTON HOUSING AUTHORITY

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July 30, 2018

Judith Judson, Chair
Energy Efficiency Advisory Council
Commissioner
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: Fourth Statewide Three-Year Energy Efficiency Investment Plans, Years 2019 through 2021

Dear Ms. Judson, Energy Efficiency Advisory Council, Investor Owned Utilities, and Department of Public Utilities:

Thank you for your work to develop and expand nation-leading energy efficiency programs in Massachusetts. We, the undersigned affordable housing owners and developers, encourage you to allocate resources via the 2019-2021 Three-Year Energy Efficiency Plan for behind-the-meter energy storage. We feel investment in storage focused on the building sector broadly, and affordable housing specifically, will help achieve the energy efficiency goals we have as a Commonwealth, and encourage MA to develop better buildings, following the lead of other Northeastern states.

Currently, only one component of the energy efficiency draft plan includes storage, and it's a very small residential storage program. There is no storage currently in the commercial or low income categories. The commercial and low income categories are precisely where storage is most needed and will provide the most benefits. Storage is a commercially available, viable technology that fits into the Active Demand Management portion of the energy efficiency plans. Thousands of behind-the-meter batteries have been installed in commercial and residential facilities across the country, to reduce electricity bills, shift peak demand, integrate solar PV, and enhance resiliency.

To touch upon the value proposition for storage in the Three Year Plan, peak demand hours are disproportionately costly and polluting. Behind-the-meter energy storage can shift peak loads, flatten the demand curve and save money for ratepayers. For customers like ourselves, battery storage can help to manage demand charges, which can account for more than 50% of a total commercial energy bill. This includes multifamily affordable housing facilities like ours, which are typically on a commercial rate.

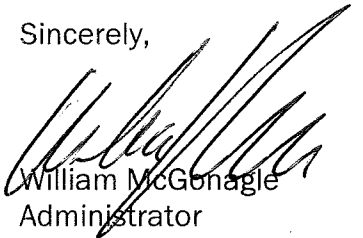
Currently, Massachusetts has no behind-the-meter energy storage rebate. Including a meaningful storage incentive in the Three-Year Plan currently being developed would fill this gap. Without a storage incentive, we Massachusetts ratepayers will have no dedicated

support for investments in a technology that can lower our electric bills, enhance resiliency, and improve the efficient operation of the electric grid.

It's important to make distinctions between the SMART program, which has a storage adder, and providing strong incentives for storage in the Three-Year Plan. SMART only incentivizes storage co-located with new solar PV – but many critical facilities and low-income affordable housing facilities that need storage for cost savings and resiliency, cannot install solar. And because SMART only funds new solar systems, it would only support storage installed in concert with new solar – which means there is no opportunity to support storage retrofits to existing solar systems such as those we already own or manage. SMART also does not include a resiliency adder. We view affordable housing as critical facilities because many residents have nowhere else to turn during major storm events; therefore, we should be including strong incentive programs in the Three-Year Plan to ensure the lights stay on and basic functions like elevators can continue running for a few hours when there are interruptions to the grid during major storms.

In summary, the EEAC should require PAs to include commercial and low income energy storage programs, as well as residential storage, in the next round of draft plans.

Sincerely,



William McGonagle
Administrator
Boston Housing Authority