

September 21<sup>st</sup>, 2021

Mr Paul Johnson  
Massachusetts Energy Efficiency Advisory Council  
Small Business Energy Efficiency Counsel Member

Dear Mr Johnson,

Participating Mass Save HES contractors are experiencing an unprecedented increase in material costs. During the past 12 months, material prices for the items we use the most have increased dramatically:

- **Cellulose – 26% Increase**
- **Foam Insulation Board – 26% Increase**
- **Fiberglass – 34% Increase**

One of the biggest challenges the Mass Save participating contractors currently face is having very little influence on the prices we are paid through the program. Unfortunately, contractors are at the point where we can no longer absorb the extraordinary post pandemic rise in material and labor costs. Labor costs have increased significantly, but material costs have increased the most.

The Best Practices Working Group (BPWG) contractors have made a concerted effort to work with the Program Administrators over the past 5 months regarding our inflated costs. We took the time to piece together a 40 page pricing packet which included all increases from our manufacturers and distributors dating back to the fall of 2020. We presented the packet to the PA's back in May of 2021 and have added this item to the agenda every month since for discussion where our requests for review have been denied. We have been told consistently that any pricing discussions would have to wait until the new Request for Proposal is completed by the PA's next year. It is likely, that this RFP will take upwards of ten months to a year to be implemented, as this is the traditional timeline to execute a price increase through the program.

At our last BPWG meeting in August, we asked the PA's for interim emergency relief so the small businesses participating in the Mass Save program can continue operating in this climate.

We are asking the EEAC to work with the PA's to provide a "bridge" to the RFP process by granting an across the board 10% price increase for all measures in the HES Program. We feel 10% is a modest price increase given that we've experienced far more pricing pressures on our materials and labor expenses.

We ask that you work with the PA's in a timely fashion to help execute a 10% price increase to provide the financial relief that contractors need at this time.

Respectfully,

*ABT Insulation - dba American Building Technologies, Inc*

*Advanced Energy Services, LLC*

*Air Tight Insulators LLC*

*Air-Tight Weatherization LLC*

*Alternative Weatherization*

*Atlantic Weatherization LLC*

*Baylies Insulation LLC*

*Baystate Energy Reduction*

*Bob's Insulation Inc*

*Bruin Corp of Framingham*

*Bryan Hobbs Remodeling LLC*

*Builder Services Group*

*Building Efficiencies*

*Building Performance Contracting*

*C2S Energy LLC*

*Caddis Insulation*

*Cape Cod Energy Solutions LLC & Home Contracting Solutions LLC*

*Cape Cod Insulation Inc*

*Cape Save, Inc.*

*Carbonneau Insulation LLC*

*Cozy Home Performance, LLC*

*Custom Insulation Co Inc*

*E3 Efficiency New England*

*Efficient Buildings LLC*

*Elite Energy Services , LLC*

*Energia, LLC*

*Energy Geeks*

*Energy Loss Solutions*

*Energy protectors Inc*

*Energy Savers Home Performance*

*Frehill Insulation Co Inc*

*Gauthier Insulation, Inc*

*GEE Insulation*

*Gold Star Insulation & Construction LLC*

*Graham Built Corp*  
*Green Collar, LLC*  
*Greenwich Insulation*  
*Home Energy Solutions Inc*  
*Hot & Cold Energy*  
*Hugh's Insulation*  
*Installed Measures Inc.*  
*Insul Kings*  
*Insulate 2 Save Inc*  
*Insulation R Us, Inc*  
*JM of New Bedford Co*  
*JT Energy LLC*  
*LMH Construction Group*  
*M.T. McMahon and Son, Inc.*  
*Mass Weatherization, Inc.*  
*McCarthy Construction*  
*McEachern Insulation Inc.*  
*Merrimack Valley Insulation*  
*Metro Insulation Inc.*  
*Mill City Energy*  
*Neeeco*  
*New England Weatherization, LLC*  
*Northeast Home & Energy*  
*Northstar Insulation*  
*Polar Bear Insulation Co Inc*  
*Potential Energy*  
*Precision Remodeling, Inc.*  
*Retro Tec insulation LLC*  
*RetroFit Insulation Inc*  
*Rock Built Insulation LLC*  
*Rogers Insulation Specialists Co. Inc*

*SDL Home Improvement Contractors, Inc.*

*Superior Insulation, LLC*

*T.C.Building*

*The Weatherize Guyz*

*The Worthmore Group*

*Tupper Construction Co. LLC*

*Tycasbra Energy LLC*

*Utility Energy Inc.*

*WhiteStone Construction*