

Q3 2023 RESULTS

▶ **December 20, 2023**

INTRODUCTION

▶ **C-Team Quarterly Reviews:**

- Highlight KPIs
- Prioritize discussion about those that most impact progress toward PA goals

▶ **KPI and Equity Targets Data**

- Rich source of near real-time program information
- Support analysis and assessment of PA progress in achieving Plan goals and Council's priorities

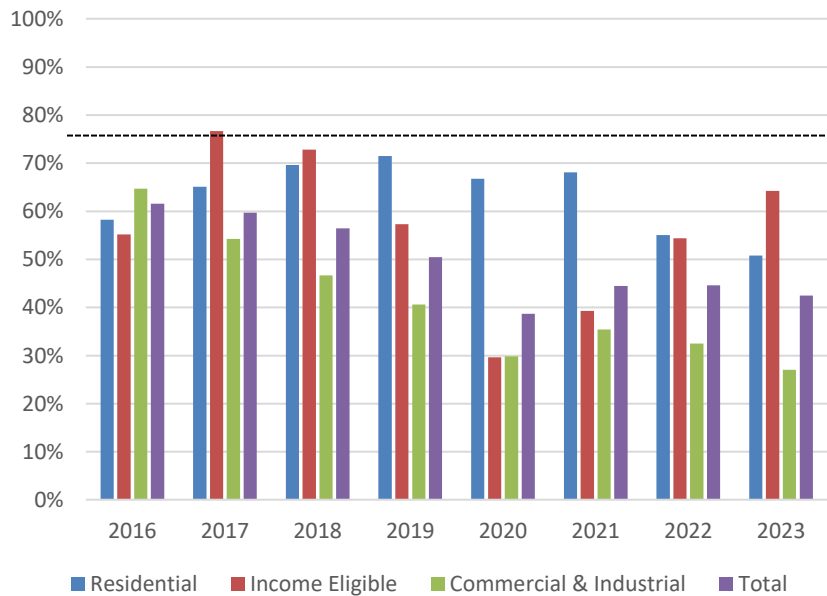
▶ **The data continue to indicate mixed results in Q3**

- Progress in some areas such as residential heat pumps and C&I lighting projects with controls
- Behind in other areas such as Home Energy Assessments and residential insulation, moderate income, IES heat pumps and weatherization, and C&I Turnkey

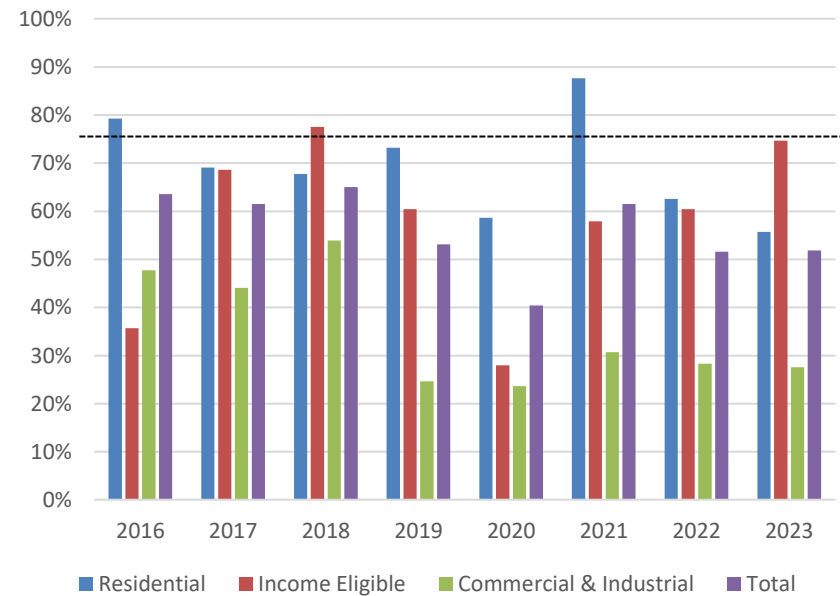
Q3 BENEFITS ACHIEVEMENT

► Program benefits achievement to date largely in line with recent historical achievement

Q3 Electric Program Benefits Achievement



Q3 Gas Program Benefits Achievement





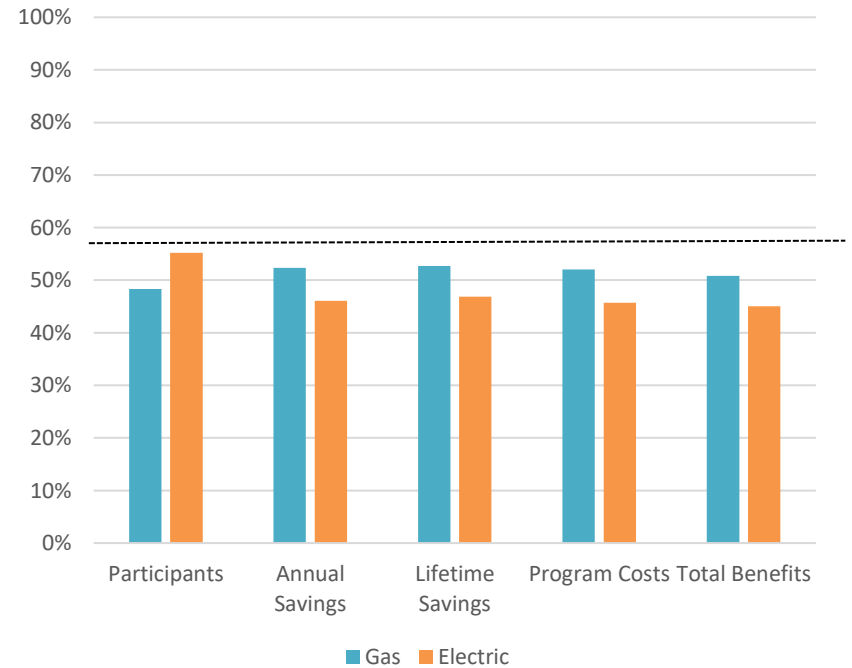
Q3 2023 RESIDENTIAL

RESIDENTIAL RESULTS OVERVIEW

Residential Achievements as a Percentage of the 2023 Plan Values
75% of the Year Complete

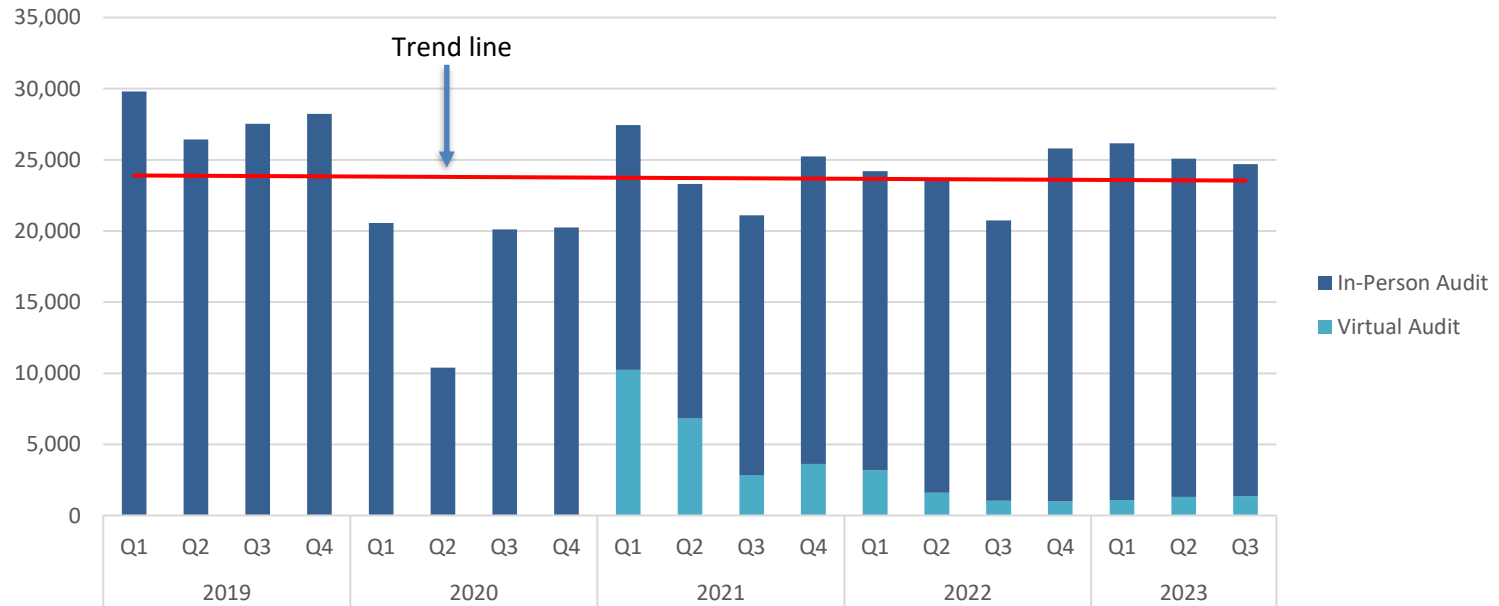


Residential Achievements as a Percentage of 2022-2024 Plan Values
58% of the Plan Complete



KPI #1 HOME ENERGY ASSESSMENTS

Home Energy Assessments 2019-2023
Combined Electric and Gas

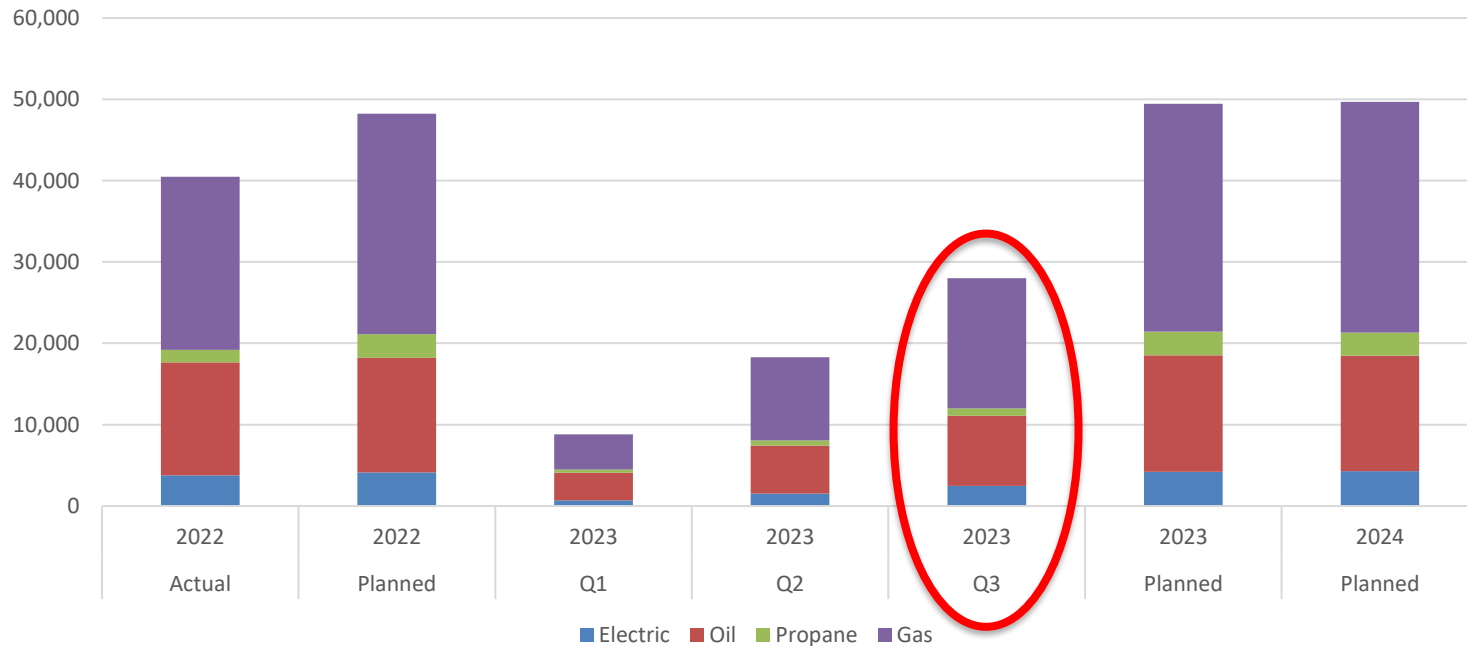


Virtual audits have only been reported in KPI #1 since 2021

- ▶ **Audits in total have increased in comparison to 2022**
- Virtual audits have decreased

KPI #2 RESIDENTIAL INSULATION

**Residential Insulation Jobs
Minus Moderate Income**

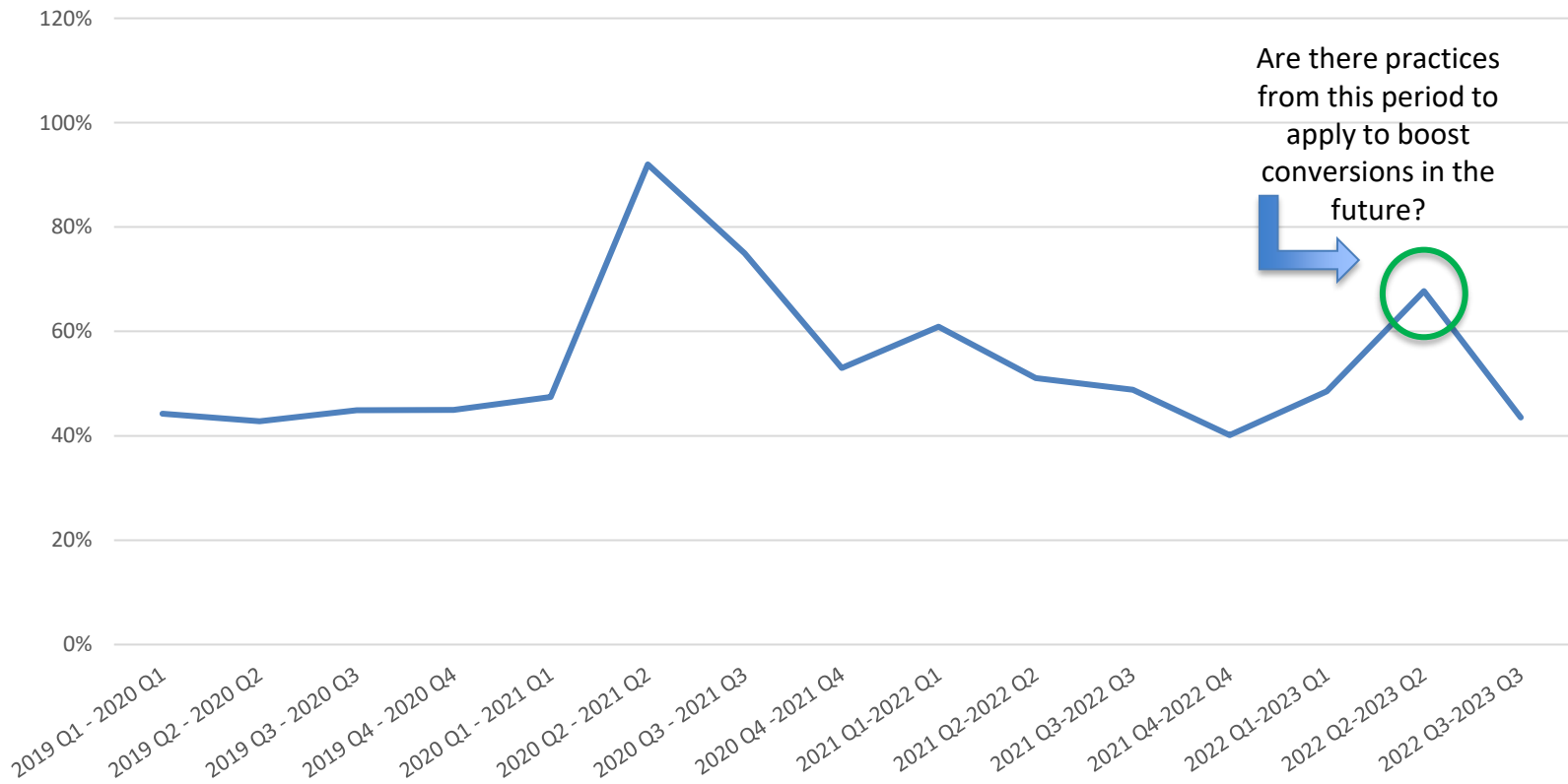


► **Residential insulation units continue to lag planned values**

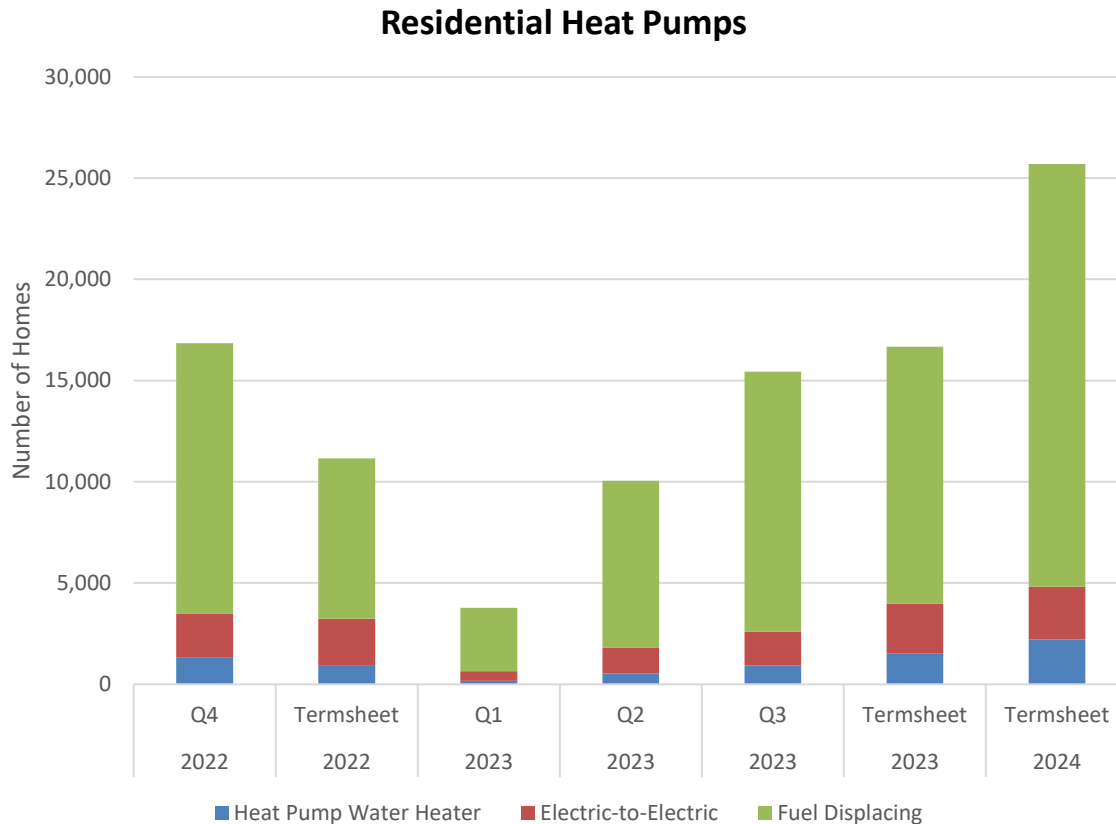
- As of Q3, PAs at 47% of Term insulation job goal

KPI #1 RECOMMENDATION TO INSTALLATION CONVERSIONS

Insulation Conversion Rates 2019-2023
(Total HEAs shown through end of 2020, In-person HEAs only for 2021-2023)



KPI #3 RESIDENTIAL HEAT PUMPS



- ▶ Heat pump activity for 2023 appears on track to exceed the Term Sheet goal.
- ▶ 44% of res heat pumps installs through Q3 were in gas homes (down from 49% through Q2)
- ▶ Recent Integrated Controls EM&V study indicates cooling is primary reason for adoption

MULTIFAMILY HEAT PUMPS

Single Family vs. Multifamily Heat Pumps 2022-2023 as reported in KPI #3

		Electric		Gas	
		SF	MF	SF	MF
Residential	22-23 Planned	30,663	295	610	0
	Actual (22-Q3 23)	19,934	108	12,235	0
Income Eligible	22-23 Planned	2,978	1,800	0	0
	Actual (22-Q3 23)	1,497	1,215	30	16

- ▶ **Very few multifamily heat pump units were planned for the term for the Residential Sector and very few have been reported to date in KPI#3**
 - There appear to be some tracking particularities at issue (RCD vs. Retail)
- ▶ **Buildings with 5+ units comprise more than 20% of residential buildings in Massachusetts**
- ▶ **Having a clear picture of multifamily heat pump production is an important equity matter—all MF units should be reported as such**
- ▶ **Multifamily heat pumps must be prioritized in 2024-2027**

MODERATE INCOME

	Weatherization Jobs		Heating Systems	
	2022	2023	2022	2023
Actual	308	459 (through Q3)	3	78 (through Q3)
Planned	2,829	4,392	1,521	2,331
Equity Target	1,398	2,796	N/A	N/A

- ▶ **1,260 moderate income applications qualified in 2023 through Q3**

PAs have spent approximately \$4 million of \$136 million budgeted for moderate income this Term.

Unspent funds will likely accrue to benefit of market rate residential customers

WHAT WE'RE WATCHING AND WORKING ON IN Q4

- ▶ **Insulation production: understanding and addressing reasons for low numbers**
- ▶ **Moderate income: working with PAs on new approaches and enhanced heat pump incentives**
- ▶ **Elevating priority of multifamily heat pump installations in market rate projects**
- ▶ **Addressing EM&V findings regarding use of integrated controls for heat pumps**

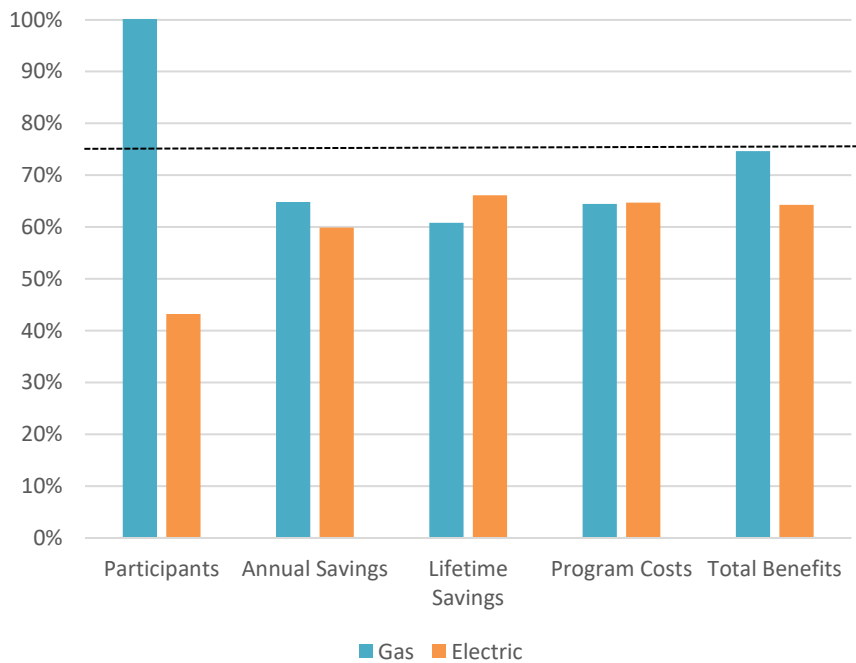


Q3 2023 INCOME ELIGIBLE

IES RESULTS OVERVIEW

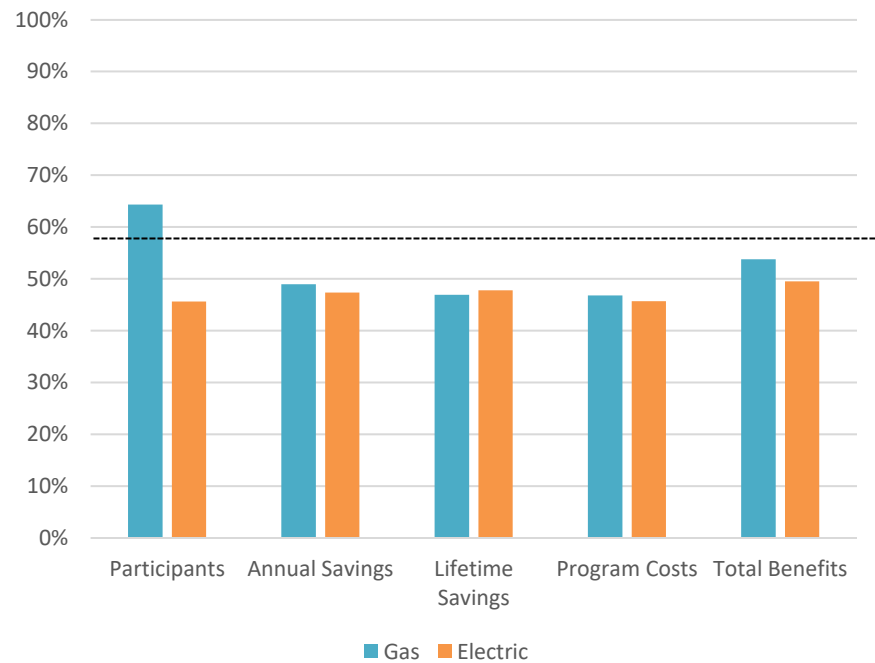
Income Eligible Achievements as a Percentage of the 2023 Plan Values

75% of the Year Complete



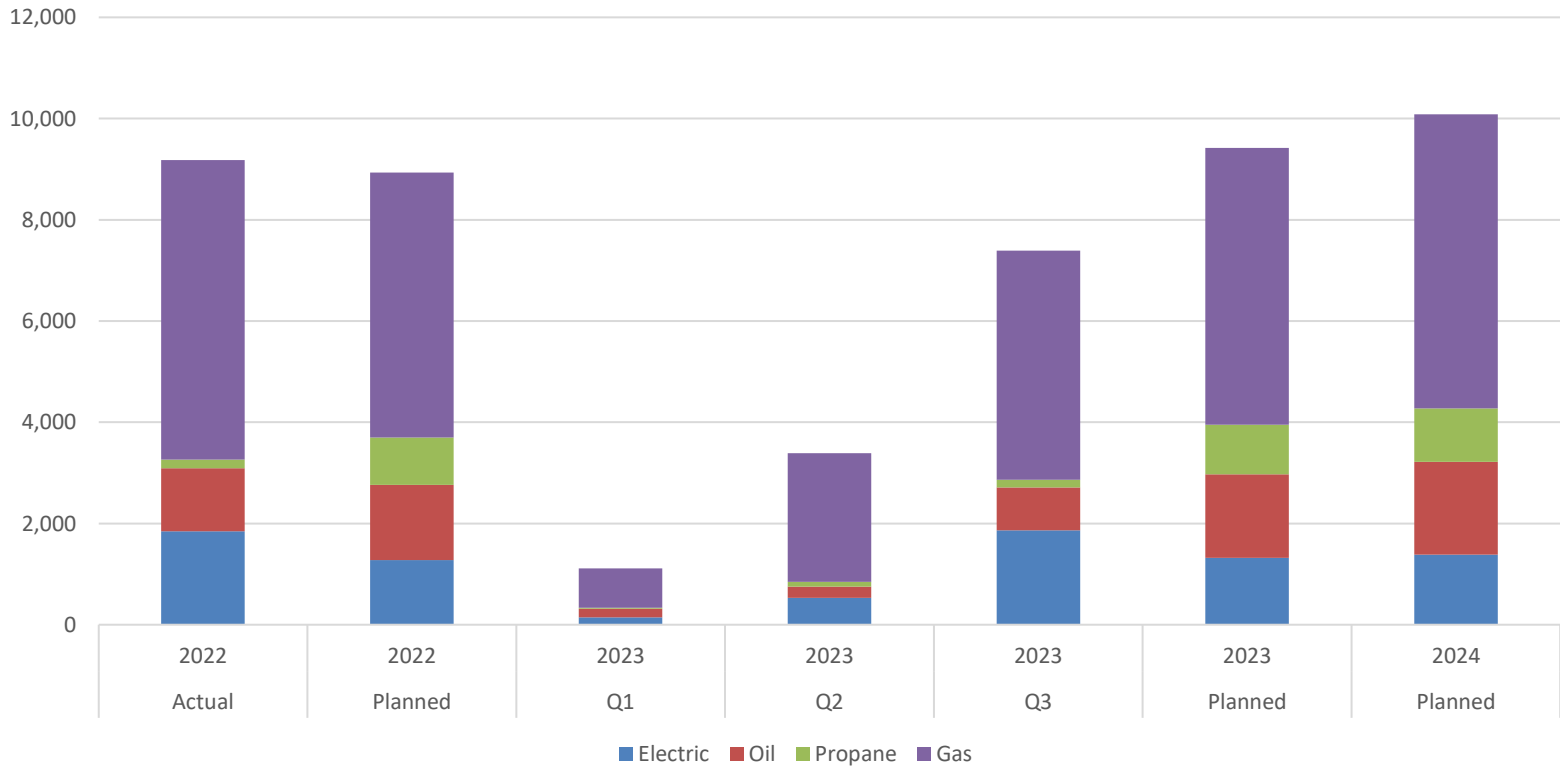
Income Eligible Achievements as a Percentage of 2022-2024 Plan Values

58% of the Plan Complete



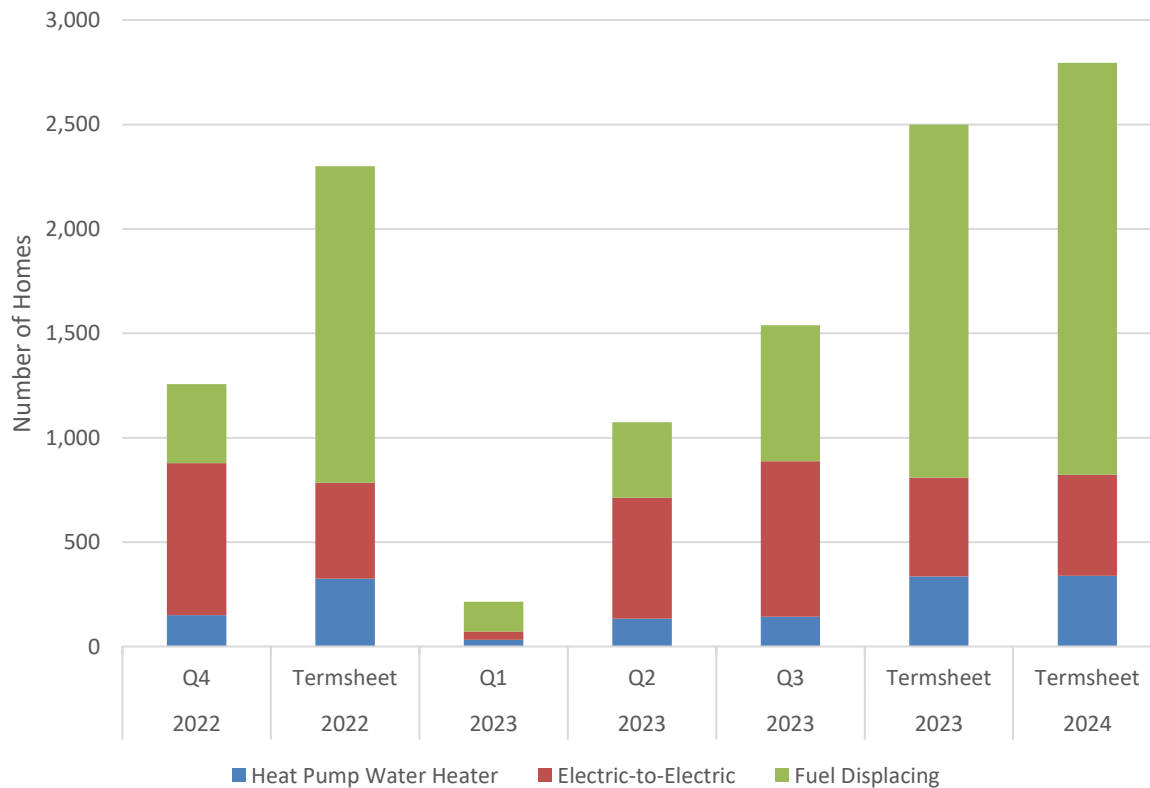
KPI #2 INCOME ELIGIBLE WEATHERIZATION

Income Eligible Insulation & Weatherization Jobs



KPI #3 INCOME ELIGIBLE HEAT PUMPS

Income Eligible Heat Pumps



- ▶ In September, LEAN indicated a large number of heat pumps are in process
- ▶ Eversource has filed an MTM to reduce IE spending by \$45 million, citing underachievement in electrification measures

WHAT WE'RE WATCHING AND WORKING ON IN Q4

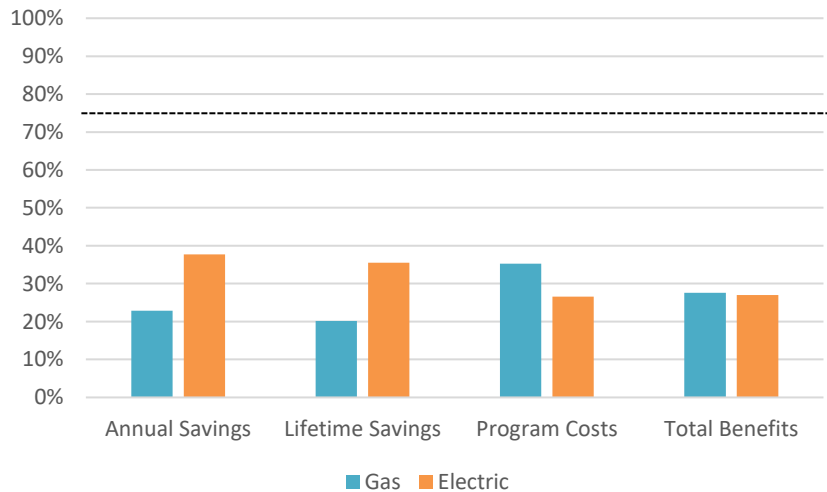
- ▶ **Heat pump results for Q4. If anticipated completions aren't reflected in the data, additional reporting should be considered to more closely monitor progress.**
 - We are still assessing the Eversource MTM and will present our recommendation to the Council in January.



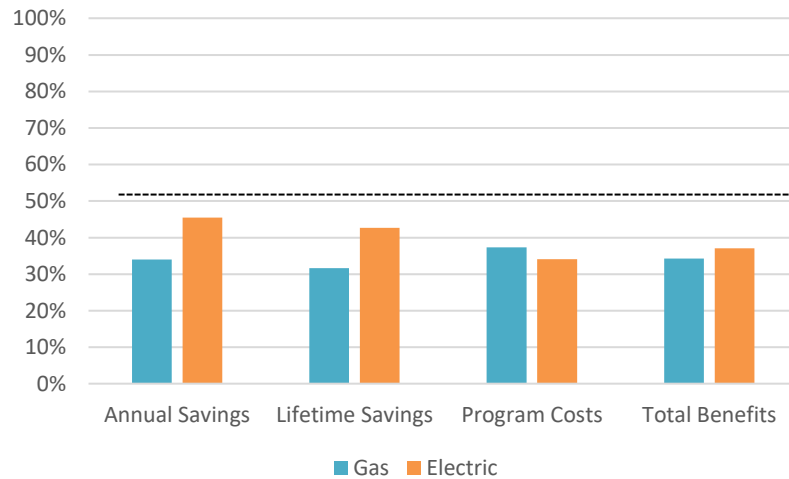
Q3 2023 C&I

C&I RESULTS OVERVIEW

C&I Achievements as a Percentage of the 2023 Plan Values
75% of the Year Complete

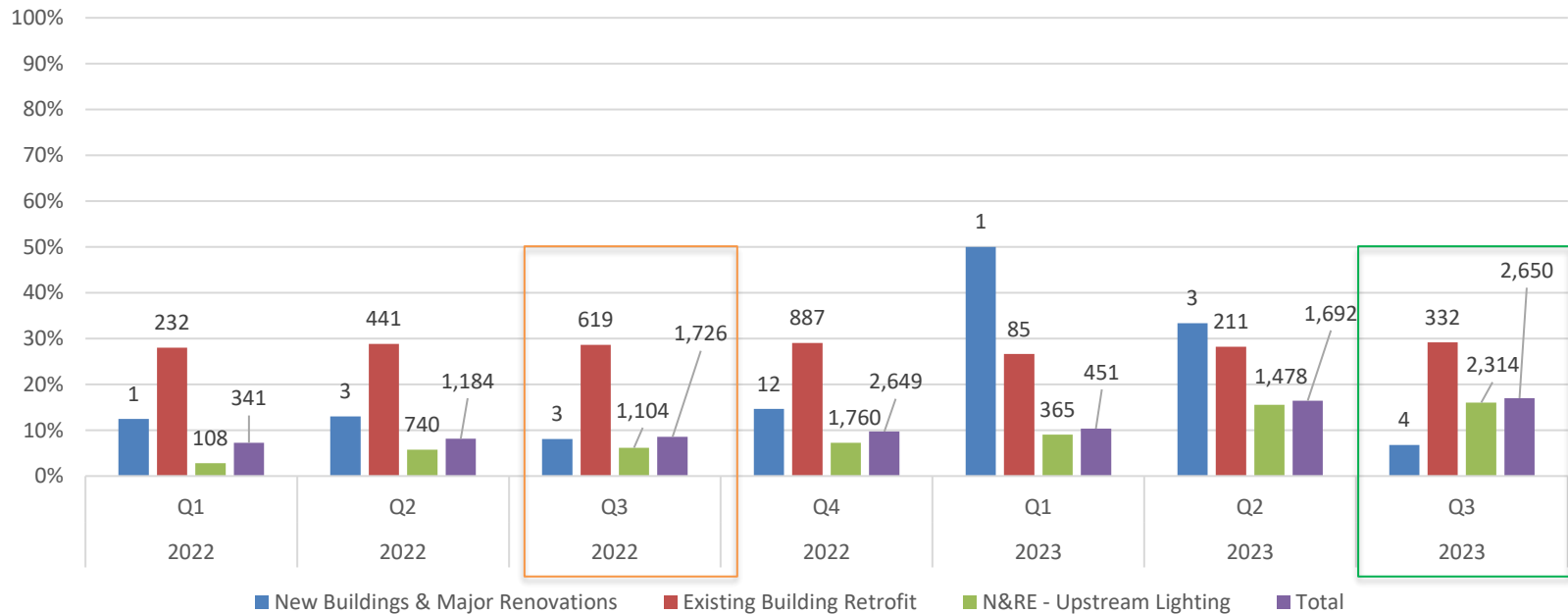


C&I Achievements as a Percentage of 2022-2024 Plan Values
58% of the Plan Complete



KPI #4 PROPORTION OF C&I LIGHTING PROJECTS WITH CONTROLS

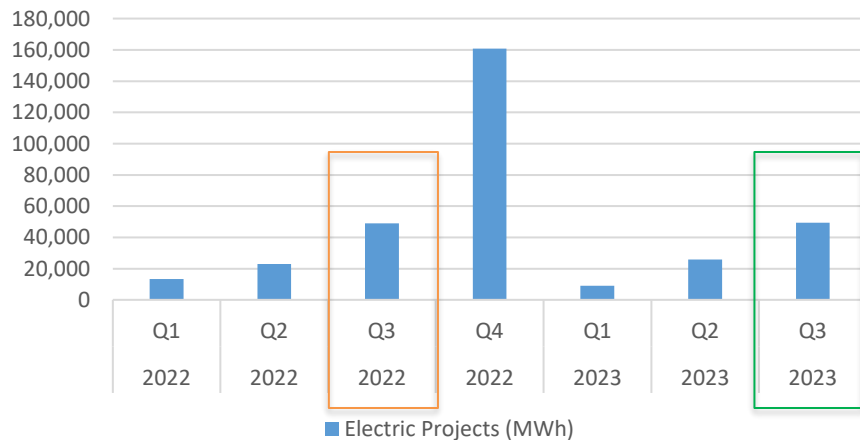
Percent of Projects with Controls



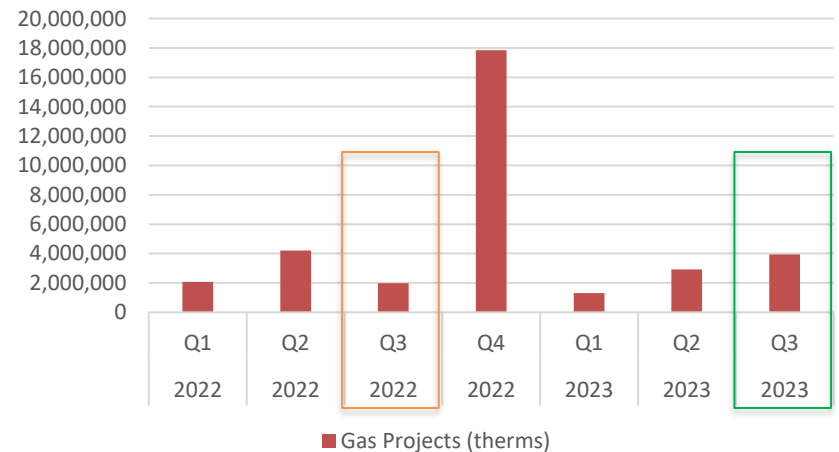
► Lighting with controls increased over 2022 levels.

KPI #5 NET LIFETIME SAVINGS FROM CUSTOM HVAC PROJECTS

C&I Custom HVAC Projects Lifetime Incremental Savings - Statewide (MWh)



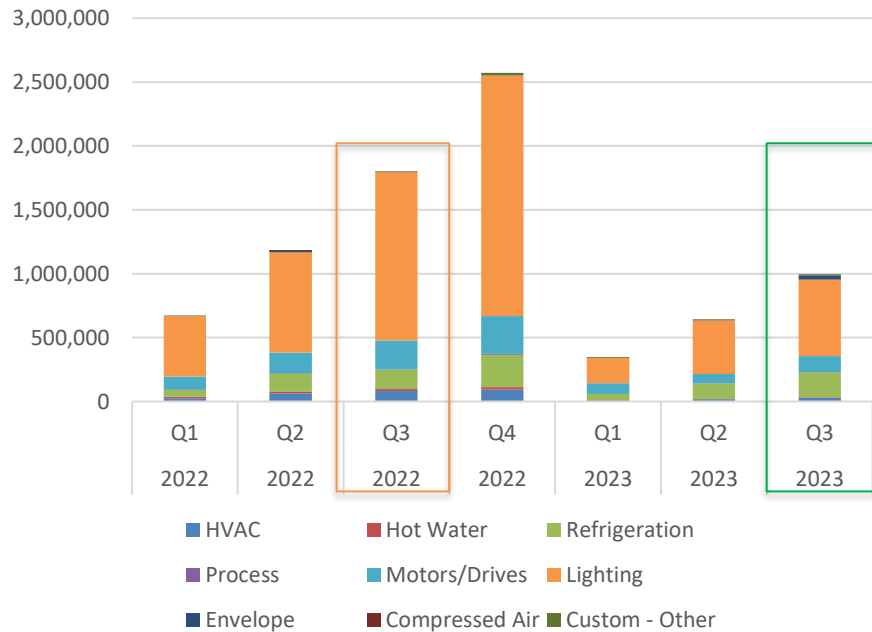
C&I Custom HVAC Projects Lifetime Incremental Savings - Statewide (Therms)



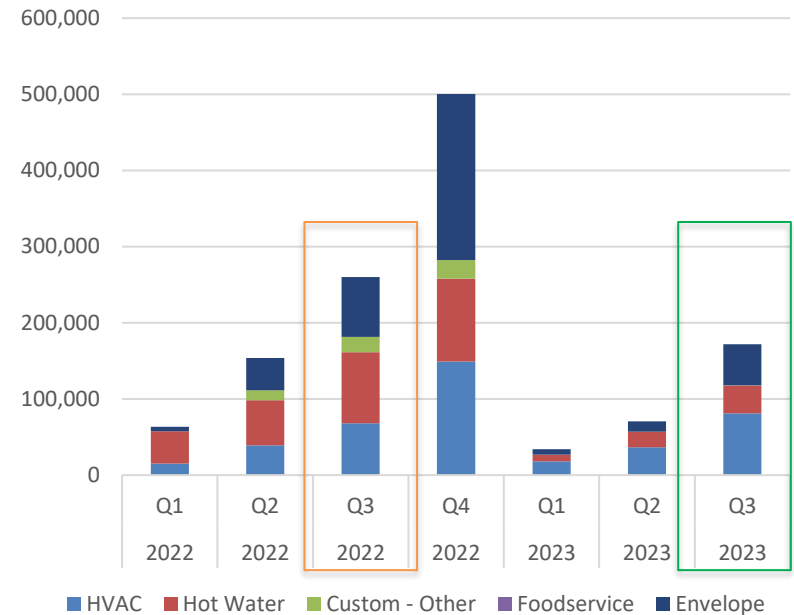
- ▶ Data here by quarter, not cumulative over the year
- ▶ More overall projects with smaller savings/project

KPI # 6 TURNKEY INITIATIVE SAVINGS

Electric SMB Turnkey Savings Net Lifetime MMBTU (Cumulative)



Natural Gas SMB Turnkey Savings Net Lifetime MMBTU (Cumulative)



WATCHING IN Q4



- ▶ **Overall C&I portfolio trends**
- ▶ **Continued focus on more comprehensive and non-lighting projects**
- ▶ **Weatherization projects**
- ▶ **Electrification in New Construction**

THANK YOU

Questions?

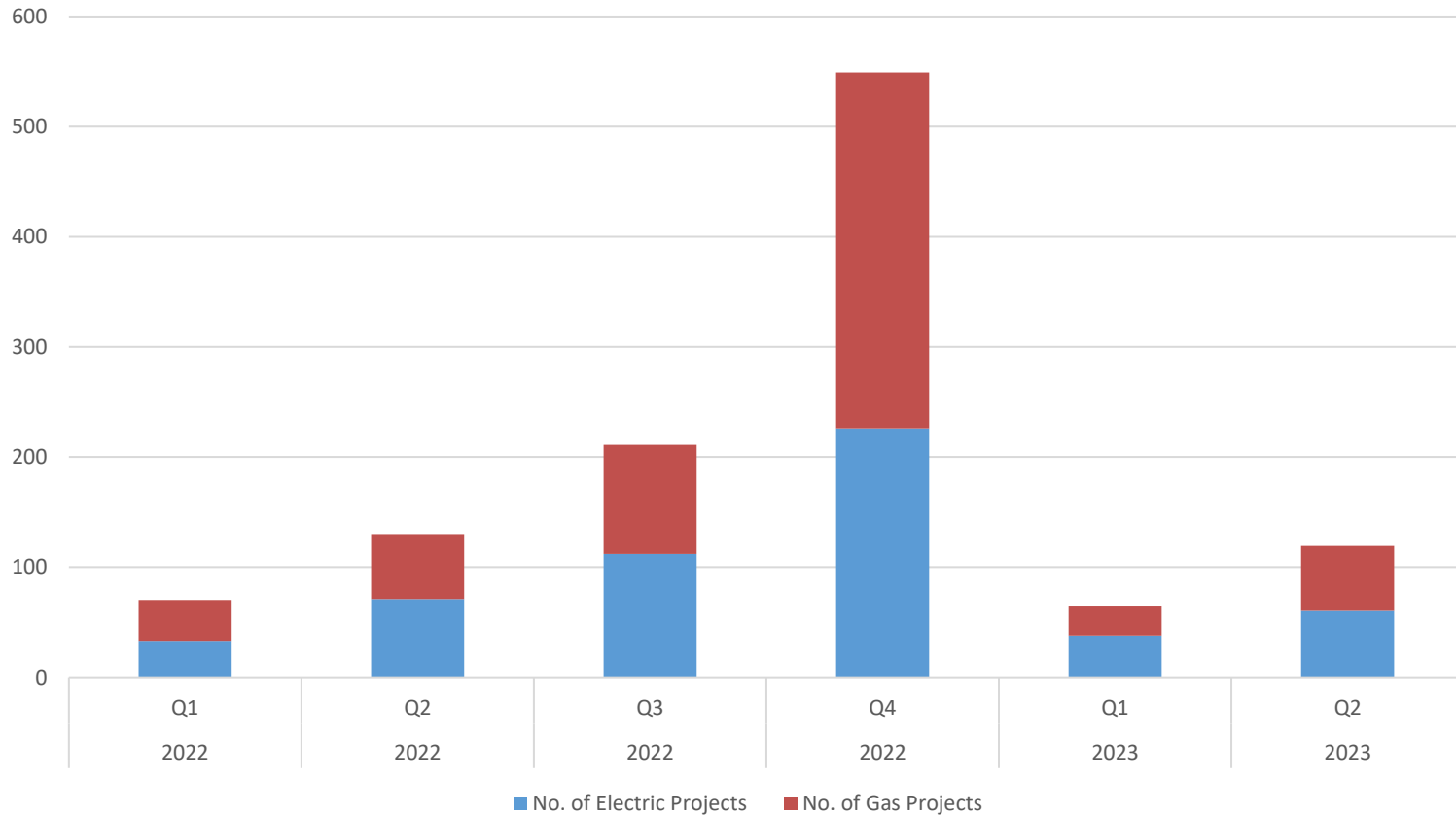
▶ December 20, 2023



APPENDIX

KPI #5 NUMBER OF CUSTOM HVAC PROJECTS

C&I Custom HVAC Project Cumulative Count - Statewide



KPI #3 C&I HEAT PUMPS

Net Lifetime Fossil Fuel Savings from C&I Heat Pumps (MMBtu)

