

September 22, 2021

Massachusetts Energy Efficiency Advisory Council Commissioner  
Patrick Woodcock, Chair  
Massachusetts Department of Energy Resources  
100 Cambridge Street, Suite 1020  
Boston, MA 02114

Re: Draft of the 2022-2024 Massachusetts Three-Year Energy Efficiency Plan

Dear Commissioner Woodcock:

Thank you for the opportunity to comment on the Massachusetts Joint Statewide Electric and Gas Three Year Energy Efficiency Plan. We strongly agree with the Energy Efficiency Advisory Council (EEAC) that the fifth Three Year Plan must be “innovative and forward-looking,” with an emphasis on equitable program delivery and participation, energy efficiency, active demand management, and electrification. The City of Cambridge adopted our Net Zero Action Plan in 2015 and is currently completing a five-year review and update to the plan to achieve net zero greenhouse gas emissions from the buildings in our City. Key to the City meeting its Net Zero goals is a robust Mass Save energy efficiency program that serves our residents and businesses. We echo the sentiment of many other stakeholders in requesting that the 2022-2024 be a transformative plan that addresses the need for substantial GHG emission reductions, while also targeting program offerings to better serve historically underserved populations.

We ask you to ensure the next Three-Year Energy Efficiency Plan will give underserved communities access to weatherization and efficiency programs as we recover from the impacts of the pandemic. In particular, communities underserved by the state’s energy efficiency programs include language-isolated communities (with little to no English language proficiency), renters, working-class people, communities of color, immigrants, and Environmental Justice communities. Please reject any energy efficiency plan that does not center the needs of these communities and fails to clearly outline direct actions and budget commitments that will address the disparities in access to energy efficiency programs.

Below is a summary of our comments, with details provided in the letter below.

- Align with the State’s adopted **GHG emission reduction goals** by eliminating incentives focused on fossil fuel equipment.
- **Reallocate C&I lighting spending** to longer-lived and more GHG impactful measures such as HVAC, envelope and fuel switching to address total commercial building energy use.
- Make sure that heat-pump and fuel switching goals are equitably **achieved across a range of building types, not just single-family homes.**
- Electrification upfront equipment costs are a hurdle to Air Source Heat Pump (ASHP) conversions and even more so for low-and-moderate income households, so we strongly support **increasing the budget for income-eligible fossil-fuel equipment to electrification.**
- ASHP customers are challenged to find reputable installers, get installers to provide quotes, and to interpret quotes from installers. We encourage **the PAs to become a trusted and reliable source of customer support on these complex electrification decision-making processes.**

- **Increase the numerical goals for number of residences and businesses to be weatherized** and increase Mass Save’s technical ability to fully insulate all buildings.
- Offer **integrated programs** to deliver weatherization and heat pumps for space and water heating as well as solar, community solar, and electric vehicles (including micro-mobility) to truly incorporate all the technologies buildings need to employ for decarbonization.
- The **renter split-incentive issue** is challenging, we encourage the EEAC to push for the three-year plan to create more creative solutions to this issue, such as including more 100% incentives for landlords and customizing outreach to landlords to serve more renters.
- **Streamline the low-and-moderate income programs**, provide quicker and more flexible service, and holistically address customer needs that may require accessing many different agencies and funding sources by significantly increasing the staff capacity of the CAP agencies.
- Provide **dedicated reporting of multifamily participation** through making a strong commitment to metrics and reporting designed to increase transparency and accountability regarding planned investment and work performed in single family vs. multifamily buildings.
- **Refine and expand the municipal partnership programs** through more communication, data transparency and including new partners like non-profit organizations.
- Create specific commitments for greenhouse gas reductions attributable to low- and moderate-income customers, as well as to 5+ multifamily customers to achieve **equitable participation**.
- Focus on **workforce development investment** with a focus on creating career ladders for high-road jobs to multilingual and English learners.

To transform our buildings, lower our energy use and mitigate the already deadly impacts of climate change the plan must align with the State’s adopted **GHG emission reduction goals**. To that end, we support eliminating incentives focused on fossil fuel equipment, so that we can clearly and unequivocally focus on the decarbonization of Massachusetts’ economy. The Clean Energy and Climate Plan calls for a million homes to receive energy efficiency retrofits by 2030. The scope of the draft Three-Year Plan falls far short of the 100,000+ homes per year that must receive these retrofits to reach this goal. To center equity in this approach, EEAC and the Mass Save program must prioritize residences in underserved communities as the program expands to meet this mandate.

While 80% of the GHG emissions in Cambridge come from buildings, it is the large commercial sector that is responsible for the majority of these emissions, therefore we strongly support re-allocating C&I lighting spending to longer-lived and more GHG impactful measures such as HVAC, envelope and fuel switching to address total commercial building energy use more holistically. Cambridge has partnered with Eversource to create a Building Energy Retrofit program to provide additional technical assistance and direct access to Mass Save incentives to address the complexity large building owners face in retrofitting their buildings and we encourage the Program Administrators (PAs) to find energy solutions for the C&I sector that are more complex, but also more impactful. To increase participation in Mass Save programs for commercial buildings the incentives need to be compelling and the process of working with Mass Save needs to be clear, easy and comprehensive.

Like the State’s plans to decarbonize, the City of Cambridge is focused on **electrification** as a key driver of reducing building emissions and strongly support a focus on whole building conversions of heating and water heating equipment. With over 90% of our housing occurring in multifamily units we encourage the EEAC to make sure that heat-pump and fuel switching goals are equitably achieved across

a range of building types, not just single-family homes. As part of Cambridge's planning for electrification, upfront equipment costs are a hurdle to Air Source Heat Pump (ASHP) conversions and even more so for low-and-moderate income households, so we strongly support increasing the shifting of the budget for income-eligible fossil-fuel equipment to electrification. If we do not make electrification incentives in income-eligible buildings a priority we risk undermining over the long-term an equitable transition away from fossil fuels. Incentivizing oil and gas equipment only serves to lock in a continued dependence on fossil fuels.

As part of our Clean Heat program the City has seen first-hand that customers often need a significant amount of support to install ASHPs. Customers are challenged to find reputable installers, get installers to provide quotes, and to interpret quotes from installers. We encourage the PAs to become a trusted and reliable source of customer support on these complex decision-making processes. One area that is particularly challenging is that some installers are oversizing ASHP installations, further driving up consumer costs, while at the same time many installers discourage whole-home installations. We request that there be a third-party verifier of system sizing proposals that customers can access. Despite some challenges, Cambridge has seen an encouraging level of interest in ASHP, yet often installers face backlogs and have been unable to quickly meet consumer demand, therefore workforce and existing HVAC contractor training in this sector needs to be ramped up early if we are to meet installation and fuel switching goals.

**Weatherization** is a key strategy for achieving cost-effective electrification and therefore we encourage the EEAC and PAs to increase the numerical goals for number of residences and businesses to be weatherized. For cost-effective electrification, every building in Massachusetts must be carefully weatherized, Mass Save currently has narrow circumstances in which they will add insulation, leaving partially insulated homes or other more complicated cases out of luck in accessing Mass Save insulation incentives. Cambridge saw a very high-level of interest when we directly advertised the 100% landlord insulation incentive last year, despite the pandemic. Given the success of 100% insulation incentives we ask that this incentive be made permanent and that it be extended to 5+unit multi-family buildings and include both single-owner buildings and buildings with multiple owners (condominiums). Often decision-making in condos is stymied by getting agreement on building-wide expenditures and lack of access to building-wide financing, therefore offering the 100% insulation incentive broadly will overcome these hurdles. With regards to financing we recommend that the HEAT loan program be examined for the opportunity to provide building-wide loans to condominiums and to mixed-use (residential and commercial) buildings. Furthermore, we would encourage the 0% interest rate HEAT loan to be an option for small businesses, especially as they recover from the pandemic and take on more complex projects beyond lighting.

While Mass Save programs have historically focused on individual measures (lighting, insulation, equipment rebates), electrification and GHG reduction goals are best achieved through holistically evaluating a building, like the DOER's Home MVP pilot, to offer **integrated programs** to deliver weatherization and heat pumps for space and water heating. But we should not ignore the transaction cost of then asking customers to separately evaluate their feasibility to host on-site solar, EV charging and on-site batteries. These technologies are necessary, where feasible, to lowering the operating costs of electrified buildings and creating climate resiliency. Therefore, we encourage the EEAC to move Mass Save beyond a measures-based efficiency program and be creative in creating other industry partnerships (solar, community solar, electric vehicles including micro-mobility) to truly incorporate all

the technologies buildings need to employ for decarbonization. Furthermore, we hope that integrated assessments be educational for decisionmakers and provide a long-term roadmap for decarbonization as opposed to a snapshot of measures to be implemented. Energy assessments should be refined to provide customers with a complete view of decarbonizing their building which means showing the long-term operational savings, ROI, and GHG reductions that are expected to be achieved when implementing an integrated energy efficiency, electrification, and renewable energy with storage plan. Integrated energy and resiliency assessments should also provide funding for common pre-weatherization requirements facing buildings, especially low-income households: including roof repair, asbestos removal, knob and tube wiring removal, etc.

Cambridge is familiar with the many ways that Mass Save has struggled with **equitable program delivery**. Over 65% of our residents are renters and while they pay into the Mass Save program their ability to access benefits are limited to just a few in-unit measures, while they frequently bear the cost of operating inefficient and sometimes unsafe equipment owned by the landlord. Underserved communities, like renters, currently struggle with high electricity bills while wealthier homeownership-based suburbs access the state's energy efficiency services at much higher rates. It is a top priority to reach low-income populations, immigrants, people with English isolation, and renters. While the split-incentive issue is challenging, we encourage the EEAC to push for the three-year plan to create more creative solutions to this issue, such as including more 100% incentives for landlords and customizing outreach to landlords to serve more renters. We also urge you to consider the impacts that this investment in energy efficiency in rental properties will have on property values, and to ensure there are robust protections for vulnerable tenants from this form of "green gentrification," so that the people we mean to serve are not gentrified out of their homes and neighborhoods because of these improvements. Additional incentives for building owners that agree to maintain or lower their rent for specified time periods post-installment, or more 100% incentives if landlords implement green leases that could help with rent stabilization, while still ensuring energy upgrades occur. Small businesses too, face aspects of the split-incentive and similarly EEAC should look for creative solutions incentivizing landlords of small commercial spaces.

While renters on the whole face the split-incentive barrier, low- and moderate-income homeowners face other challenges in accessing the Mass Save program including a complicated web of relationships between the PAs, the CAP and fuel assistance agencies, duplicative paperwork, and long lead times for scheduling by sometimes over-stretched CAP staff. EEAC should consider how to streamline the low-and-moderate income programs, provide quicker and more flexible service, and holistically address customer needs that may require accessing many different agencies and funding sources. This could involve creating more roles as energy case workers to give these participants a single point of contact to guide them through whatever energy services they any need or could benefit from whether it be LIHEAP, HEARTWAP, income-eligible community solar, or getting out of predatory third-party energy supplier contracts. Case workers for serving the broad range of energy needs customers encounter is even more important for language-isolated communities as many resources are primarily accessible in English-only and finding phone translators is a challenge, even for performing basic functions like enrolling in a Mass Save assessment. Mass Save should identify each stage of the process requiring multilingual interaction and provide resources for translation, interpretation, and referral to contractors with relevant language competency.

As a City with over 90% multi-family units of which approximately 68% are larger than 4 units we strongly support dedicated reporting of multifamily participation, savings, and budgets within the Residential; Coordinated Delivery (RCD) Initiative to provide enhanced access to service to this important segment. As the EEAC has identified, the City of Cambridge has struggled to achieve participation in energy efficiency, solar and heat pump programs in the multifamily sector, and in particular the 5+ multi-family sector, despite our partnership with Eversource on improving program delivery and providing additional free technical advisory services for these medium-to-large multifamily buildings. These challenges include the landlord-tenant split incentive issue, the multiple decision makers and slow decision-making process of condominiums, the lack of whole-building HEAT loan financing for condominiums, as well as technical issues such limited Mass Save insulation options for masonry buildings and flat roofs. Therefore, it is especially important for Cambridge's Net Zero goals that the multifamily program be improved and given additional resources to address the challenges that are specific to this sector. The previous three-year plan included details on improving the multifamily program delivery and many of those program improvements are still awaiting implementation, such as allowing multifamily buildings of three stories or less to access the services of the Mass Save home performance contractors.

We have partnered frequently with Eversource to directly engage on the energy efficiency challenges our residents and businesses face, including participating as a Mass Save Municipal partner. We encourage the EEAC to continue to have the PA's refine and expand these partnership programs. Namely, by treating the municipalities as true partners who have energy, electrification and decarbonization goals that might not fit neatly into current Mass Save program structures, but nonetheless the City would like Mass Save's support while in partnership. A key factor of successful partnership is communication, yet sometimes it feels we are not told in timely ways about new, or changing incentives, so that we can adequately share them with our community. Furthermore, municipal partners would be more effective with clearer metrics about what outreach efforts are impactful. Without the ability to truly know who is enrolling in Mass Save programs from Cambridge, what measures they are installing and what promoted them to enroll – municipal partners are left to wonder what outreach and engagement is truly effective and whether their outreach and engagement to Environmental Justice Communities (EJC), language-isolated and other vulnerable populations are creating impact. Furthermore, there are many trusted community organizations outside of the municipality, like local non-profits, that should be considered for partnership opportunities. Mass Save should fund and partner with trusted community organizations to increase participation in hard-to-reach communities.

Many of our comments above are related to achieving **equitable participation** and therefore we strongly support creating specific commitments for greenhouse gas reductions attributable to low- and moderate-income customers, as well as to 5+ multifamily customers. In addition to delineating the GHG reductions specifically attributable to action in the customer classes listed above, we strongly support incorporating details for targets and metrics that will be used to measure progress towards equity goals, such as capturing customers self-identified race; whether they are located in an EJC community; all languages spoken at home (including their primary language); employment status (including students); disability; country of origin; and other attributes that can identify if the Mass Save program is truly engaging vulnerable populations. This detailed tracking and frequent reporting of data related to equity goals should be shared with municipal and non-profit partners so that outreach and engagement within

these communities can be improved and updated frequently. Officials should only support this plan if there is full transparency regarding the changes made from the last three-year plan (2019-2021), and specificity in its equity goals, budget allocation, and policies and practices to reach underserved communities.

As mentioned, our largely **multifamily residential housing** stock makes it very important that the PAs make a strong commitment to metrics and reporting designed to increase transparency and accountability regarding planned investment and work performed in single family vs. multifamily buildings. As touched on earlier, multifamily buildings often have longer decision-making timelines which require more frequent re-engagement. Multifamily buildings often need more technical and advisory resources, like a dedicated and knowledgeable Mass Save project liaison to act as a building's project champion to move the building forward from assessment to action and installation. Dedicated Mass Save liaisons are also needed in multifamily buildings to adequately capture incentives and rebates as well as coordinate contractors, especially when tackling more complex and multi-faceted projects that we hope will come from an integrated Home MVP-type program.

Many of the suggestions for multifamily buildings above are especially important to incorporate in the low-and-moderate income sector programs and for other harder-to-reach populations. Focus should be put on significantly increasing the staff capacity of the CAP agencies who serve so many needs, so there is plenty of resources for the energy programs they administer. This includes increasing the capacity of the contractors that perform the LMI assessments and installations. As we know, equity requires that people be given the resources they need to achieve equitable outcomes and therefore the EEAC should make sure that these programs have abundant resources to achieve their equitable outcome goals and resist one-size-fits all or limited scope resources.

No amount of outreach or incentives will get us to our shared Net Zero goals without significant and unrelenting focus on **workforce development investment**. In Cambridge we often hear that contractors do not want to serve our area due to the challenges that working in dense city environments bring (parking challenges, equipment staging challenges, etc.). Therefore, it is important that the workforce development goals ensure that the workforce is increasing equitably across geographic areas. This is also important so the economic benefits of the developing green workforce include workers in Cambridge and contractors that serve Cambridge. Workforce development should also create career ladders for high-road jobs to multilingual and English learners who are experts in their communities and can help to improve access in language-isolated communities.

Thank you again for opportunity to share our comments on what we hope is an aspirational and transformative three-year plan. We look forward to working together to ensure that the needs of underserved, language-isolated, immigrant, renter, multifamily, working-class, low-income, communities of color are prioritized in the next Three-Year energy efficiency plan.

Sincerely,

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