DRAFT

Document to Guide Discussion for Executive Committee 1/11/23 on Council 2023 Priorities

I. Introduction

In 2023, the Energy Efficiency Advisory Council ("Council") will (1) monitor implementation of the 2022-2024 Plan and will give special attention to the priorities below, and (2) initiate strategic planning for 2025-2027.

In 2023, the Energy Efficiency Advisory Council ("Council") will collaboratively support the Program Administrators (PAs) and monitor the implementation of the 2022-2024 Plan. The Council will give special attention to established priorities that are foundational to the achievement of the Commonwealth's 2022-2024 greenhouse gas reduction and equity goals. The Council will focus on monitoring progress to energy savings and greenhouse gas (GHG) reduction goals and also monitor that the goals are met equitably, cost-effectively, and in accordance with the approved 2022-2024 Plan and Term Sheet and in alignment with the Green Communities Act, Act to Advance Clean Energy and An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy (the Climate Act). The Council looks forward to a continued and collaborative working relationship with the PAs during implementation of this transformational 2022-2024 plan. Given the importance of successful implementation of electrification, equity, and workforce development initiatives to ensure three-year goals are met, the Council underscores the importance of the PAs proactive engagement with the Council, relevant working groups, and the Council consultants during the development and implementation of key initiatives outlined below. The Council requests that the PAs provide four updates in 2023, tied to the quarterly reports, which will detail the progress made toward each of the items listed in sections 3 below.

II. 2023 Council Priorities

The Council appreciates the efforts of the PAs to roll out new initiatives and programs in 2022 These efforts in 2022 have resulted in positive progress towards the ambitious 2022-2024 goals and the Council looks forward to collaborating with the PAs, supporting and monitoring the impacts of new initiatives launched in 2022 including residential heat pump incentives and heat pump installer network, commercial and affordable housing deep energy retrofit offering, small business program updates including weatherization incentives, new construction program changes and electrification incentives, community first partnerships, and implementation of strategies proposed in strategic renter plan. The Council provides the key areas for monitoring in Section III. After review of quarterly reports and updates received to date, the Council identifies the follow areas of highest priority for Council and PA collaboration in 2023 in order to meet 2022-2024 goals.

b. X
c. Y
d. Z

The Council also appreciates the PAs efforts in 2022 to roll out new targeted initiatives, incentives, and communication strategies related to the impact of electric and fuel price

increases. The Council looks forward to continuing to support the PAs' efforts in 2023 to continue implementing and identifying new ways to reduce energy burden for the most vulnerable customers impacting by current pricing.

1. **2023 Key Areas for Council Monitoring and PA Progress toward 2022-2024 Goals**

2022 – 2024 Plan: Monitor and ensure overall progress toward 2022 – 2024 Three-Year Plan goals and implementation commitments. The Council recognizes that the 2022-2024 Plan includes ambitious energy savings and GHG emission reduction goals, as well as the development of new program initiatives in support of the Plan's equity and climate priorities. To assist the Council in monitoring progress to these goals and achievement of these commitments, the Council requests quarterly updates on the progress to the energy savings and GHG reduction goals and key performance indicators (KPIs). Additionally, with the development and launch of many new priority initiatives in 2022, the Council requests updates from the PAs through quarterly reports on success and challenges during implementation of these new initiatives as part of the quarterly reports in 2023.

Equity: Ensure that equity commitments and initiatives are on track with a focus on increasing participation of historically underserved populations, including moderate-income customers, renters and landlords, English-isolated populations and small businesses. The Council strongly supports the equity commitments and targets established throughout the Three Year planning process and adopted by the PAs in the Final Plan. The Council will closely monitor these equity efforts and program enhancements. To assist the Council in monitoring progress toward the equity goals and commitments, the Council requests quarterly updates on the Equity Targets established during the planning process, including the following:

- Moderate Income implementation of a new, comprehensive delivery model by the beginning of Q3 2023 in coordination with the Equity Working Group that includes training plan for vendors delivering services, new income verification approach, and simplified participation path that includes concierge services/facilitation.
- Municipal and Community Partnerships program, including partnerships with Community-Based Organizations.
- Progress update on the recruitment, enrollment, mentoring, and retention of the Clean Energy Pathways internship program cohort groups.
- Renter Strategic Plan development, including status of PA implementation of the renter-specific commitments.
- Language Access Plan development.
- Progress towards completing 2,100 small business weatherization projects throughout the Plan term including updates on targeted efforts to host Main Streets events in Environmental Justice neighborhoods.

Workforce Development: Support the cultivation of a diverse and highly skilled workforce to meet the aggressive energy savings and GHG reduction goals in the 2022-2024 Plan Term. Recognizing the importance of workforce development in achieving Plan goals, the

Council will monitor the PAs progress on their workforce development commitments and requests quarterly updates on the following:

- Collaboration with the Massachusetts Clean Energy Center (MassCEC) on workforce development initiatives required by the Climate Act.
- Development of the Clean Energy Pathways (CEP) internship program.
- Progress towards Equity Targets commitments regarding diversity of program vendors.
- Number of HVAC contractors attending heat pump specific trainings and participating in the heat pump installer network.
- Updates on number and nature of recent workforce trainings offered.

Residential Sector: Support the residential energy savings, GHG reductions and equity goals of the 2022-2024 Plan. Monitor progress to achievement of implementation commitments set forth in the Plan. To assist the Council in monitoring and encouraging the PAs progress toward the residential Plan goals, the Council requests quarterly updates on the following:

- Insulation and Home Energy Audit (HEA) contractor pricing updates including information on potential changes to the residential program model for Lead Vendors, Insulation Installation Contractors (IICs) and Home Performance Contractors (HPCs), and wait times for HEAs through the different program participation pathways.
- Consideration and implementation of whole-home, performance-based retrofit program or similar new approach to emphasizing the co-delivery of weatherization and heat pumps, including potential changes to leverage federal funding more effectively.
- Consideration and implementation of strategies to address right-sizing and pricing of heat pumps.
- Integration of home energy scorecards.
- Implementation updates on uptake and progress of an all-electric new construction offer for the 1-4 unit market segment.
- Updates on the number of units enrolled in Passive House multi-family new construction offering.

Income Eligible Sector: Support new program enhancements and initiatives for income eligible customers. Customers with household incomes at 60% or below Statewide Median Income are the most vulnerable to energy price increases and inflation and therefore stand to benefit the most from Mass Save program services. In 2023, to assist the Council in monitoring the PAs progress toward the income eligible Plan goals, program enhancements and initiatives, the Council requests quarterly updates on the following:

- Electrification efforts for the Income Eligible sector, including installation of heat pumps for space and water heating at the volumes established in the Term Sheet.
- By end of Q2, an assessment of federal funding requirements, identification of ways to more efficiently and effectively co-deliver federal funding and Mass Save funding, and a strategy to make changes in coordination with DOER and DHCD.
- Efforts to improve service delivery including:
    - Program eligibility and enrollment processes

    - Service to customers in small multi-family buildings, including "naturally occurring" low income housing and mixed income buildings
    - Use of open market contractors such as HPCs
    - Consistency of resource availability and service between service areas
    - Efforts to increase installation of envelope measures
- Implementation and uptake of affordable multi-family decarbonization/deep energy retrofit offering.
- By end of Q3, develop phase out strategies for lighting based upon evaluation study results and DPU direction, and report to the EEAC in Q4.

Commercial and Industrial: Monitor the development and launch of C&I programs and enhancements, impact and progress towards energy savings and GHG goals. To assist the Council in monitoring the PAs progress toward the C&I Plan goals, programs and enhancements, Council requests quarterly updates on the following:

- Updates on outcomes from recent DOER/PA C&I Working Group meetings including PA efforts to make program changes based on feedback from CIWG.
- Status and uptake of an all-electric new construction offering for the C&I sector.
- Pursuit of non-lighting measures in the commercial sector, especially HVAC, refrigeration and process controls, and operational savings.
- Process improvement implemented by PAs for ease of participation and comprehensiveness of projects through the Commercial Custom offerings
- Results and uptake of the deep energy retrofit offering, including development of strategies for municipal and public building participation in the deep energy retrofit offering.

Active Demand Management To assist the Council in monitoring progress toward the active demand management goals, the council requests semi-annual updates in Q2 and Q4 on the following:

- Participation of WiFi thermostats in Connected Solutions by income eligible customers.
- Progress on enhancing the co-delivery of EE and ADM measures.
- Progressing on enhancing equity of the Connected Solutions program through low and moderate income participation in both WiFi thermostats and battery storage.
- Updates on regular meetings with ADM industry partners, including feedback received and any changes made to program design or incentives as a result
- Progress toward identification and implementation of natural gas demand response

Reporting The Council prioritizes transparency and reporting as critical components to monitor progress toward the transformational objectives and equity priorities of the 2022-2024 Plan. The Council looks forward to receiving regular updates from the PAs via the Quarterly Reports, KPIs and Bi-Annual and Plan Year Reporting. Additionally, the Council looks forward to quarterly updates from the Equity Working Group and the PAs on progress toward the 2022-2024 Equity Targets Framework.

Initiate Strategic Planning for 2025-2027. In 2023, the Council recognizes the importance of commencing strategic planning discussions and activities to inform the 2025-2027 Three Year Planning process. Building off lessons learned from past Plans, the Council requests collaboration and transparency between the PAs, Council, and Consultant Team to build the foundation for a successful planning process beginning in 2023. In order to achieve this shared goal, the Council requests the following:

- Coordinated potential studies with drafts completed by _____, with input from Council Consultants throughout the process (procurement, study development, draft and final results)
- Collaboration with MassCEC and DOER to develop pilots that inform future programs
- Full Council participation in stakeholder workshops beginning in Fall 2023, including PA and Consultant subject matter experts
- Collaboration between the Consultant Team and PAs on Council briefing documents in order to aim for consensus on important topics heading into the March 2024 draft plan