DRAFT Council 2024 Priorities

I. Introduction

In 2024, the Energy Efficiency Advisory Council (Council) will focus on monitoring progress to achieve energy savings and greenhouse gas (GHG) reduction goals equitably and cost-effectively 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 Program Administrators (PAs) during implementation of this transformational 2022-2024 plan. 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 and plans to encourage solutions-based meeting agendas and discussion topics. The Council requests that the PAs provide four updates in 2024, tied to the quarterly reports, which will detail the progress made toward each of the items listed below.

Specifically, the Council prioritizes the (1) implementation of the 2022-2024 Plan to achieve the Term goals, savings and GHG reductions, (2) development of groundwork for transitioning current programs to support the 2025-2027 Three-Year Plan (3) focus on the planning, developing, and reviewing of draft 2025-2027 Three-Year Plan, and (4) continuation of improvements to data management and sharing. Each of these priorities should be implemented with a focus on achieving equity and energy affordability for underserved customers, including support for distributive justice principles.

II. 2024 Council Priorities

After reviewing quarterly reports and updates received to date, the Council identifies the following areas of highest priority for continued Council and PA collaboration for the 2024 plan year. As the final year in the 2022-2024 three-year term, the Council will monitor the PAs progress in meeting the 2022-2024 goals and their transition to and plans for 2025-2027~~.~~ . The Council also looks forward to updates from DOER and the PAs on implementation of Inflation Reduction Act funding and other relevant energy policies including the stretch energy code and the Commonwealth's development of a Building Decarbonization Clearinghouse.

1. Monitor and ensure 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 programmatic changes to support achievement 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 achieve the energy savings and GHG reduction goals by sector and key performance indicators (KPIs).

The Council also requests updates on PA identified underperforming programs or efforts for the Term, including but not limited to the items listed below. Updates should include year-to-date

progress and term-end projections on benefits, GHG reductions, spending, and participation. The PAs should also describe efforts they are undertaking to ensure they achieve term goals.

A. the delivery of energy efficiency programs to moderate income customers.
B. the adoption of electrification measures by Commercial and Industrial (C&I) and Income Eligible sectors and in multifamily and new construction programs for all sectors~~—~~.
C. the adoption of C&I HVAC and Deep Energy Retrofit measures.
D. any other course corrections adopted to address identified underspending in the PAs' 2022-2024 filed mid-term modifications (MTMs)

2. Identify actions to support transition to the 2025-2027 Plan.

The Council acknowledges the progress that has been made toward achieving the 2022-2024 Term goals and knows more work will need to be done to equitably meet the climate goals of the Commonwealth. Moreover, the Council understands the program shift required by An Act Driving Clean Energy and Offshore Wind, which prohibits Plan investment in the majority of new fossil fuel equipment~~—~~. In addition, the Council has advanced a suite of recommendations that challenge the PAs to advance a bold and innovative Plan to further equity and the achievement of the Commonwealth's climate goals~~—~~. For these reasons, it is imperative that the PAs prepare to meet these challenges so they can begin the next term with new and evolved offerings at the start of the next plan. This includes preparing the market for the transition and testing concepts from the 2025-2027 Plan workshop process during the current Plan. To support the transition to the next plan, the Council expects that the PAs will report on:

A. Activities undertaken to transition the programs away from fossil fuels in the residential and C&I sectors.
B. Efforts to test and begin implementation of the 2025-2027 EEAC recommendations to facilitate roll-out of new program designs by January 2025 including:
    i. Enhancing C&I account management models (C&I recommendation I.B)
    ii. Support for medium/large customer decarbonization and efficiency planning (C&I recommendation II.A)
    iii. Expanding comprehensiveness and effectiveness of measures for the Small Business Turnkey offering. (C&I recommendation III.A)
    iv. Revising Residential new homes and renovations program. (Res. recommendation I.A)
    v. Increasing Weatherization paired with heat pump installations (Res recommendation I.B-E)
    vi. Developing cost management strategies for heat pumps. (Res recommendation I.D.4, Equity recommendation II.D)
    vii. Simplifying the customer experience (Res recommendation II, IE recommendation I.B)
    viii. Expanding and increasing income eligible customer capture (IE recommendation I)
    ix. Simplifying the income verification process for moderate income participation, including the use of AMI and SMI. (Equity recommendation II.B)

x. Moderate income program enhancements (Equity recommendation I. A B and D), selection of 2025 geographic areas (Equity recommendation I.C.) and simplification of the customer journey (Equity recommendation II G)
xi. Any other actions the PAs identify to fully implement the EEAC recommendations in the 2025-2027 term.

3. Continue Strategic Planning for 2025-2027.

The Council recognizes the importance of developing the next Three-Year Plan that builds off lessons learned and continues to innovate to better and equitably provide energy efficiency and decarbonization benefits to the Commonwealth. The Council requests collaboration and transparency between the PAs, Council, and Consultant Team to build the foundation for a successful planning process in 2024. To achieve this shared goal, the Council requests the following:

A. A bold March draft plan designed to achieve the Secretary's greenhouse gas emissions goals and the delivery of cost-effective energy efficiency and demand reduction programs to support achievement of the Commonwealth's Global Warming Solutions Act goals.
B. Incorporation of Council recommendations resulting from the workshop process into the March draft plan, with sufficient programmatic detail to enable effective Council review.
C. Inclusion of a distinct equity-focused section in the March draft plan that incorporates the Council's equity recommendations related to increasing participation by renters/landlords, moderate income customers, customers with limited English proficiency, and small businesses.
D. Provision of all data tables and benefit-cost models, with the March draft Plan to allow for full consideration prior to Council comment and recommendation deadlines.

4. Continue Improvements to Data Management and Sharing.

Data availability is foundational to the Council's ability to assess the PAs' progress in achieving its priorities and plan goals. While the volume of reported data has increased significantly in recent years, gaps remain in reported performance data and opportunities to improve data management practices and systems. To advance this priority in 2024, the Council requests the following:

A. Collaboration to improve the effectiveness of the PA quarterly reports
B. Finalization of data sharing protocols with the Council
C. Improved access to data by stakeholders, including Community First Partners
D. Establishment of mechanisms for tracking of new data for the 2025-2027 Term by the beginning of the new Term

5. Enhance and encourage public engagement with the EEAC.

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Building on the success of the Equity Working Group in engaging a wider population that is represented by the voting councilors, the EEAC should further encourage public engagement and actively foster connections with community groups across the Commonwealth. The EEAC is uniquely positioned to provide a platform for environmental justice communities and help shape energy efficiency planning and oversight. It is often difficult for members of the public to meaningfully engage with energy planning decisions due to the technical nature of the issues, but the EEAC presents a ready-made venue for education and input in the energy efficiency realm. Such engagement could provide invaluable insight for the Council and PAs alike regarding the barriers to (and burdens of) energy efficiency initiatives in underserved communities and could foster wider awareness of energy efficiency programs in such communities. Councilors should be encouraged to leverage their networks to bring new voices to EEAC meetings, for example by proactively reaching out to community groups to encourage attendance at the upcoming Three-Year Plan listening sessions.