Three-Year Energy Efficiency Plan Update Workshop #3 Summary

Residential Sector Workshop for the Massachusetts Energy Efficiency Advisory Council

Held virtually on September 17, 2026 | 9:30 a.m.–1:30 p.m. Eastern

Meeting Overview

The meeting was scheduled to begin at 9:30 a.m. Eastern, as stated in the meeting notice. Jo Ann Bodemer opened the meeting at 9:32 a.m.

Workshop 3 was the residential-sector session in the Massachusetts Energy Efficiency Advisory Council's planning process for the 2028–2030 Three-Year Electric and Gas Energy Efficiency Plan. The workshop reviewed current Residential Sector conditions and then considered Consultant Team straw proposals on weatherization and home energy assessments, heat pumps, moderate-income and turnkey delivery, multifamily programs, and financing.

The proposals were discussion tools rather than final recommendations. Councilors were asked to identify proposals they supported, opposed, or wanted refined or supplemented. The discussion was intended to inform Workshop 4, later Council deliberations, and the resolution-development process; it did not establish a formal Council decision.

Agenda & Process

Jo Ann Bodemer of DOER opened the meeting and conducted roll call. Sonia Bouvier and Sharon Vardatira of the UMass Donahue Institute facilitated. Margie Lynch and Griffith Keating served as Consultant Team resources. Councilors first received a short sector overview and asked clarifying questions, then discussed each proposal group in sequence. A break separated the heat-pump and moderate-income discussions. Members of the public were reminded that written comments could be submitted to the EEAC for posting.

Attendance

Present: Commissioner Elizabeth Mahony, Jo Ann Bodemer, Greg Abbe, Brian Beote, Audrey Hettinger, Paul Johnson, Meg Lusardi, Kyle Murray, Bob Rio, William Rose, Mary Wambui, Emily Audet for Alexis Washburn, Sharon Weber, Brooks Winner, Tim Costa, Martijn Fleuren, JW Hackett, Cindy Carroll, Margaret Song, Kate Peters, Amy Vavak, Kim Dragoo, Jillian Winterkorn, Hessan Farooqi for Grace Umaña, and Doug Quattrochi.

Attendance notes: JW Hackett (10:00 a.m.), Grace Umaña (11:13 a.m.), Meg Lusardi (11:40 a.m.), and Mary Wambui (12:20 p.m.) joined after the meeting began. Bob Rio was present at the beginning of the workshop, temporarily left at 10:25 a.m., and rejoined at 11:20 a.m. Hessan Farooqi represented Grace Umaña until she joined the meeting.

Not in attendance: Daniel Leary, Steven Miller, and Charlie Harak.

About these notes: This document is a detailed synthesis based on the completed transcript and two contemporaneous note sets. It is not a verbatim transcript. Comments are presented as attributed third-person summaries and have been edited to remove filler, repetition, and false starts while preserving each speaker's point and recognizable voice. Substantive clarifying questions and factual responses are separated from participant comments. Facilitation mechanics and other non-substantive exchanges are omitted. The summaries do not imply consensus or a formal Council decision. Where a Councilor expressly identified a proposal number or clearly stated support, opposition, uncertainty, or a condition of support, that position is recorded.

Opening and Residential Sector Context

The meeting opened with virtual-meeting procedures and ground rules. Participants were asked to remain muted when not speaking, raise their hands to enter the discussion, avoid using chat for substantive comments, and keep interventions concise so all Councilors could participate. Facilitators emphasized that Workshop 3 was one stage in a longer process and that additional opportunities for Council discussion would follow.

State of the Residential Sector

- The Residential Sector includes customers not served through the Low-Income program, including moderate-income and market-rate customers.
- The sector has adapted to stronger electrification and decarbonization goals, affordability pressures, expanded equity commitments, and more complex customer-support needs.
- The presentation identified the $500 million residential-sector budget reduction ordered for the current 2025–2027 term as an important planning constraint.
- Moderate-income offers accounted for 11 percent of Residential Sector incentives in 2025.
- Weatherization and heat-pump incentives accounted for between 81 and 94 percent of Residential Sector incentives in each year since 2022, making those measures central to the workshop discussion.
- Active demand management and additional equity topics, including Designated Equity Communities, were reserved for Workshop 4.

Initial Clarifying Questions and Responses

Before discussing the proposals, Councilors asked questions about the briefing materials and current program operations. The principal clarifications were:

- For Proposal 1, turnkey delivery referred to the market-rate weatherization delivery model; the Moderate Income Turnkey Offer was addressed separately later in the workshop.
- The Consultant Team said additional analysis was needed to explain the change in the share of residential incentives devoted to weatherization and heat pumps.
- The C-Team indicated that HEAT Loan costs were not included in the weatherization and heat-pump incentive figures drawn from benefit-cost models.

- The C-Team did not have readily available data on use of the full-displacement weatherization waiver. A Program Administrator noted that customers can demonstrate sufficient weatherization in three ways.
- The presentation used water heating as an example of a measure receiving less program investment than its approximately 18 percent share of typical household energy use.
- Program Administrators were described as generally meeting the 30-day heat-pump rebate-processing target, but Councilors noted that requiring customers to front the rebate amount can still be a barrier.
- The complexity concern for heat-pump participation referred to multiple rebate pathways and the requirements attached to partial- and full-displacement offers.
- The increase in moderate-income weatherization jobs was linked to area-median-income eligibility, self-attestation, and the 100 percent incentive for residential customers in Designated Equity Communities.
- The straw proposals had not been modeled together as a portfolio. The Consultant Team said integrated budget, emissions, equity, and bill-impact analysis would become more useful as the package was refined.
- Martijn Fleuren cautioned that lower market-rate weatherization participation could reflect budget and contractor-margin constraints that reduced demand-generation activity, rather than a simple decline in customer interest.

Discussion Themes and Tensions

- Councilors broadly supported maintaining weatherization incentives and finding new ways to increase participation, particularly among underserved housing types and moderate-income households (Proposals 1 and 2). Support was less clear for the current market-rate turnkey model and for adding spray foam or exterior insulation without stronger cost, safety, and building-science evidence (Proposal 1).
- Councilors generally supported a simpler per-ton heat-pump incentive, with safeguards against oversizing and more analysis of the incentive level (Proposal 3). They were skeptical of a market-rate turnkey offer (Proposal 3A) and largely opposed the post-installation weatherization coupon as proposed (Proposal 4). There was broad support for stronger contractor quality assurance, customer education, and pricing guidance (Proposals 5 and 6).
- Councilors strongly supported the 100 percent weatherization incentive in Designated Equity Communities and continued income self-attestation for moderate-income customers outside DECs (Proposals 7 and 8). Views were divided on eliminating the enhanced rebate pathway (Proposal 9). Councilors generally supported continuing the Moderate Income Turnkey Offer with clearer eligibility criteria (Proposal 10), but were skeptical of broadly expanding turnkey delivery to market-rate customers (Proposal 11).
- Councilors broadly supported greater attention to multifamily buildings and better reporting on participation, investments, costs, and benefits across all sectors (Proposals 12 and 14). Views on increased multifamily electrification were mixed because of concerns about cost-effectiveness, tenant bills and rents, building conditions, renter protections, and competition with other equity priorities (Proposal 13).

- Councilors strongly supported telling customers the value of their HEAT Loan subsidy and other Mass Save benefits (Proposal 16). Views on the future of the HEAT Loan were sharply divided, particularly over market-rate subsidies, free ridership, income-based targeting, interest rates, and a possible cap on benefits (Proposal 15).
- Across all six areas, Councilors weighed program reach and customer choice against limited budgets, administrative costs, quality, affordability, and equity. Better data were especially important when considering new delivery models, eliminating an existing pathway, expanding electrification, or redesigning financing.

Focus Area 1: Weatherization & Home Energy Assessments

DISCUSSION 1

Consultant Team Straw Proposals

1. Maintain current weatherization incentives and the turnkey delivery model. Identify additional measures, such as spray foam and external board insulation during re-siding, that could contribute to deeper savings and complement related customer activities.
2. Explore new strategies for identifying untapped weatherization potential and increasing conversion rates, and report the strategies identified to the Council for possible field deployment.

Primary discussion questions: Does the Council support the Consultants' straw proposals? Why or why not? Are there additional proposals the Council should consider for the 2028-2030 Plan?

Discussion Summary

Proposal-level indications of support: Councilors broadly supported maintaining weatherization incentives and exploring untapped weatherization potential under Proposals 1 and 2. Support was less clear for maintaining the current market-rate turnkey delivery model and for adding spray foam or exterior insulation without further cost, safety, and building-science evidence.

Differences and tensions: The principal tension concerned delivery model and measure choice. Some speakers favored continued turnkey support, while others preferred a rebate-based model with greater customer choice and lower administrative cost. Spray foam and exterior insulation were viewed by some as potential deeper-savings measures, but others raised cost, moisture, safety, and free-ridership concerns.

Context and qualifications: Comments repeatedly linked weatherization strategy to constrained budgets and the tradeoff between reaching more households and spending more per home. Speakers also noted that brick buildings and other difficult-to-treat housing may be excluded or abandoned under current practices.

Questions raised: Councilors asked for evidence on the cost, effectiveness, durability, and safety of proposed insulation measures; analysis of why assessments do not convert to projects; a clearer pathway for brick buildings; and information on how siding-related insulation is currently delivered.

Clarifications and Factual Context

- Commissioner Elizabeth Mahony distinguished program retrofits from building-code requirements, which generally apply to new construction and major renovations, and identified building-code coordination as a follow-up area.

- Brooks Winner described brick buildings as a recurring gap in current weatherization delivery and urged development of a practical pathway for those properties.

Comments by Speaker

- **Brian Beote:** Supported maintaining current weatherization incentives under Proposal 1 and supported Proposal 2. He did not separately endorse maintaining the current delivery model and cautioned that spray foam and exterior insulation could increase costs per household and have long paybacks.
- **Commissioner Elizabeth Mahony:** Supported prioritizing weatherization and the exploratory work in Proposal 2. She was not ready to support adding spray foam or exterior insulation under Proposal 1 without evidence that the measures would improve conversion and justify their additional cost.
- **Martijn Fleuren:** Strongly supported maintaining incentives under Proposal 1 but opposed maintaining the current delivery model. He favored a rebate-based market-rate pathway that would preserve customer choice and reduce program-delivery overhead.
- **Emily Audet:** Supported Proposal 2 and urged continued focus on moderate-income customers, whose weatherization participation has historically lagged. She did not state a separate position on all elements of Proposal 1.
- **Will Rose:** Supported Proposals 1 and 2, while recommending that proposed deeper-savings measures be studied for cost-effectiveness before adoption and that outreach target older, rental, and triple-decker housing.
- **Bob Rio:** Did not state an overall position on Proposals 1 and 2. He was open to further consideration of spray foam but requested cost information and was skeptical of exterior-board insulation because of potential free ridership and overlap with existing re-siding practices or code requirements.
- **Doug Quattrochi:** Did not state an overall position on both proposals. He requested building-science evidence on spray foam and moisture management and favored precise, targeted air-sealing measures over broad adoption of products that could create unintended problems.
- **Brooks Winner:** Supported Proposals 1 and 2, while urging Mass Save to develop a workable weatherization pathway for brick buildings and address safety concerns associated with spray foam.
- **Sharon Weber:** Supported Proposals 1 and 2 and agreed that the specific concerns raised by other Councilors should be addressed, while emphasizing that implementation must remain disciplined within the available budget.
- **Hessan Farooqi, proxy for Grace Umaña:** Supported Proposals 1 and 2. He requested evidence on the results and overhead of the market-rate turnkey delivery model and urged earlier exploration of weatherization opportunities for brick buildings.
- **Audrey Hettinger:** Generally supported Proposals 1 and 2 but requested stronger data on the effectiveness, cost, and safety of specific added measures before supporting their expansion.
- **Paul Johnson:** Favored Proposal 2 and more targeted marketing to underserved buildings. He questioned broad use of spray foam under Proposal 1 and did not endorse adding it without stronger evidence of incremental efficiency.

Focus Area 2: Heat Pumps

DISCUSSION 2

Consultant Team Straw Proposals

3. Move to a single downstream dollar-per-ton heating-capacity rebate for heat pumps. Set the value below current average incentive rates to reduce program cost and reflect market maturity while retaining requirements that support savings and installation quality.

3A. Consider a market-rate turnkey offering for full-displacement projects with high design requirements and a higher incentive.

4. Give heat-pump customers a coupon for no-cost weatherization, redeemable within six months and paired with education. Work with HPIN contractors to size systems for the home's post-weatherization condition.

5. Coordinate with MassCEC so existing contractors and workforce entrants understand heat-pump design best practices and sizing principles, with program requirements adjusted as workforce capability develops.

6. Continue customer supports for electrification decisions; publish performance metrics; expand customer-facing pricing guidance; and consider customer webinars on heat-pump operation and maintenance.

Primary questions: Does the Council support the Consultants' straw proposals? Why or why not? Are there additional proposals the Council should consider for the 2028-2030 Plan?

Discussion Summary

Proposal-level indications of support: Proposal 3 received broad but qualified support for simplification and a per-ton structure; Councilors did not endorse a particular lower incentive level. Proposal 3A received little direct support and drew skepticism or opposition. Proposal 4 drew broad opposition as written, although Councilors supported solving the underlying weatherization and sizing problem. Proposals 5 and 6 received broad support, with requests for stronger quality assurance, accountability, education, and price transparency.

Differences and tensions: Proposal 4 drew broad skepticism because weatherization after installation can undermine proper sizing and sequencing. Several speakers also opposed or questioned a market-rate turnkey offer because of administrative cost and overlap with the existing contractor market. Views differed on how strongly the program should favor full displacement over partial systems.

Context and qualifications: Speakers noted that emergency replacements do not always allow ideal sequencing, that heat-pump systems and homes vary, and that duct leakage and envelope conditions affect performance. The size and variability of the HPIN contractor network complicated consistent quality control.

Questions raised: Councilors asked what is driving customer dissatisfaction; how MassCEC and Mass Save responsibilities would be divided; how installer performance would be measured and enforced; what turnkey delivery would cost; and which metrics best capture comfort, displacement, and real-world savings.

Clarifications and Factual Context

- The discussion referenced customer-satisfaction findings indicating that roughly 30 to 40 percent of surveyed heat-pump customers reported some dissatisfaction; Councilors asked for clearer diagnosis of the underlying causes.
- A Program Administrator representative stated that HPIN included almost 800 enrolled companies and described an accountability policy and monthly contractor reporting on post-installation inspection results.
- Kyle Murray characterized a heat-pump electric rate as a correction to rate-design overcollection from heat-pump customers rather than as an energy-efficiency incentive.
- A Program Administrator representative explained that weatherization cannot always precede heat-pump installation and suggested that the program frame weatherization and electrification as coordinated activities rather than as a rigid sequence.
- The Program Administrators confirmed that a no-cost heat-pump quote-comparison service is available to customers.

Comments by Speaker

- **Kyle Murray:** Viewed Proposal 3 as promising but raised concern that a per-ton structure could encourage oversizing. He supported Proposal 5 and wanted stronger diagnosis and accountability for poor installations. He considered Proposal 4 novel but wanted any coupon tied to actual recommended weatherization and proper sizing.
- **Doug Quattrochi:** Opposed Proposal 4 as written, arguing that weatherization and air sealing should precede heat-pump sizing and installation. He requested blower-door and performance analysis and separately proposed allowing Mass Save support for connections to geothermal networks.
- **Will Rose:** Supported Proposal 3 and strongly supported Proposal 6. He strongly opposed Proposal 4 because weatherization and air sealing should precede heat-pump installation. He was lukewarm on Proposal 5 and remained concerned about MassCEC reporting.
- **Brian Beote:** Supported standardization and a right-sized per-ton approach under Proposal 3 but questioned a large incentive reduction. He adamantly opposed Proposal 4, supported Proposal 5 with direct contractor input and stronger quality assurance, and supported Proposal 6.
- **Hessan Farooqi, proxy for Grace Umaña:** Was neutral on Proposal 3 pending consideration of ground-source heat pumps and customer operating costs. He shared concerns about Proposal 4 and supported Proposals 5 and 6 as steps toward better customer outcomes.
- **Martijn Fleuren:** Supported Proposal 3 with caveats about the incentive level and market effects. He strongly opposed Proposals 3A and 4. He supported stronger heat-pump quality controls under Proposal 5 but cautioned that education alone would not address operating costs, duct conditions, system limitations, or program rules.
- **Brooks Winner:** Supported Proposals 3, 5, and 6; was unconvinced by Proposal 3A; and was open to Proposal 4 as a voluntary no-cost option rather than a weatherization prerequisite.
- **Commissioner Elizabeth Mahony:** Supported exploring Proposal 3 and its potential administrative savings, opposed Proposal 4 as impractical, wanted more time to assess Proposal 5, and supported the pricing-guidance and customer-support elements of Proposal 6.

- **Sharon Weber:** Supported the simplification direction in Proposal 3 but emphasized that the selected incentive level would materially affect the plan budget. She opposed the coupon portion of Proposal 4, supported higher HPIN expectations under Proposal 5, and strongly supported Proposal 6.
- **Emily Audet:** Was interested in Proposal 3 but wanted the oversizing risk examined. She doubted that the coupon in Proposal 4 would work, while supporting better pre-installation coordination. She supported Proposals 5 and 6, with priority placed on getting incentive design right in a constrained budget.
- **Audrey Hettinger:** Supported Proposals 3, 5, and 6. She did not support the coupon approach in Proposal 4 because customers might not complete a second step, but she supported retaining its education and coordination objectives.
- **Paul Johnson:** Supported Proposal 3 insofar as it encourages full displacement, strongly opposed the coupon approach in Proposal 4, supported customer education under Proposal 6, and urged blower-door testing and weatherization before installation.
- **Greg Abbe:** Supported Proposals 3, 5, and 6. For Proposal 5, he urged enforceable contractor-quality standards and consequences, not training alone, and cautioned that major heat-pump changes could jeopardize greenhouse-gas goals.

Focus Area 3: Moderate Income & Turnkey Delivery

DISCUSSION 3

Consultant Team Straw Proposals

7. Maintain the 100 percent weatherization incentive for all residential customers in Designated Equity Communities. A broader set of DEC proposals was reserved for Workshop 4.
8. Maintain self-attestation of income as a qualification method for the 100 percent weatherization incentive for moderate-income customers outside Designated Equity Communities.
9. Consider eliminating the enhanced moderate-income heat-pump rebate pathway to reduce customer and contractor confusion, while retaining access to the market-rate rebate.
10. Continue the Moderate-Income Turnkey Offer with refinements informed by customer and contractor feedback, EM&V research, and metrics. Develop criteria for existing gas-heating customers and for partial displacement or waiver of the disconnection requirement.
11. Assess a similar, but not identical, turnkey approach for market-rate customers, potentially beginning with a demonstration and rolling out by the end of 2028.

Primary questions: Does the Council support the Consultants' straw proposals? Why or why not? Are there additional proposals the Council should consider for the 2028-2030 Plan?

Discussion Summary

Proposal-level indications of support: Proposals 7 and 8 received strong support. Views on Proposal 9 were mixed: some Councilors supported considering or developing elimination of the enhanced rebate pathway, while others opposed eliminating it without evidence about why customers and contractors use it. Proposal 10 received broad support for continuation and

refinement, but key criteria remained undefined. Proposal 11 drew substantial skepticism and some opposition, with more support for assessment than for committing to broad rollout.

Differences and tensions: Several speakers opposed eliminating the rebate pathway without evidence that it is failing. Turnkey delivery was valued for navigation and quality assurance, but its administrative cost, contractor-payment practices, and scalability were questioned. A market-rate turnkey offer drew particular skepticism about budget impact and who would fund the service.

Context and qualifications: Speakers noted that customers may prefer an existing contractor or a simpler rebate process, while others need hands-on help. The economics also vary for gas customers and for households that would be expected to pay administrative costs themselves.

Questions raised: Councilors requested comparative data on customer use, administrative costs, cost containment, and outcomes across the rebate and turnkey pathways. They also asked what specific refinements are proposed, how contractor payment delays would be addressed, and who would bear the cost of market-rate turnkey delivery.

Clarifications and Factual Context

- The discussion treated self-attestation as an established access mechanism intended to reduce documentation barriers for moderate-income customers outside DECs.
- Speakers distinguished the rebate pathway, which can preserve a customer's contractor relationship, from turnkey delivery, which provides more intensive navigation and quality-assurance support.
- Jo Ann Bodemer clarified that Proposal 9 concerned the enhanced moderate-income heat-pump rebate. Moderate-income customers would still be able to use the market-rate rebate pathway.
- The Consultant Team noted that a market-rate turnkey offer could use a different incentive structure, might require customers to bear part of the administrative cost, and could also introduce cost controls and enhanced quality assurance.

Comments by Speaker

- **Emily Audet:** Strongly supported Proposals 7 and 8. She supported considering Proposal 9 while learning more about its effects. She was concerned about the administrative cost of Proposal 11 for market-rate customers and did not state a separate position on Proposal 10.
- **Kyle Murray:** Supported Proposals 7 and 8. He was conditionally open to Proposal 9 if analysis showed that few customers would be lost, was generally comfortable with Proposal 10, and supported assessing Proposal 11 only after comparing turnkey administrative cost with cost containment.
- **Will Rose:** Supported Proposals 7, 8, 9, and 10. He supported Proposal 10 with customer-economics protections for gas conversions and was skeptical of Proposal 11 pending evidence that cost-control savings would outweigh administrative costs.
- **Brooks Winner:** Strongly supported Proposals 7 and 8, opposed Proposal 9, supported Proposal 10 and its refinements, and was open to assessing but skeptical about expanding turnkey delivery under Proposal 11.
- **Commissioner Elizabeth Mahony:** Supported Proposal 7 and continuation of self-attestation under Proposal 8. She favored moving beyond consideration toward developing Proposal 9, while also requesting information on why customers choose each pathway. She was interested in Proposal 11 only if market-rate customers paid the additional administrative cost.

- **Martijn Fleuren:** Opposed Proposal 9 because the rebate pathway had not been diagnosed and elimination could reduce participation. He supported the contractor-feedback and disconnection-waiver elements of Proposal 10 and strongly opposed Proposal 11 because of overhead, restrictions, delays, and market effects.
- **Greg Abbe:** Did not support Proposal 9 without evidence explaining why customers use the rebate pathway. He did not reject Proposals 10 and 11 but wanted a clear threshold and outcome measures showing when turnkey value justifies its incremental administrative cost.
- **Brian Beote:** Strongly supported Proposals 7 and 8 and was not in favor of closing the rebate pathway under Proposal 9 without further investigation. He also requested information about how many newly served customers are actually moderate income.
- **Sharon Weber:** Supported Proposals 7 and 8, opposed eliminating the rebate pathway under Proposal 9, could not fully assess Proposal 10 without the actual refinement criteria, and was concerned that Proposal 11 could divert limited funds from other priorities.

Focus Area 4: Multifamily

DISCUSSION 4

Consultant Team Straw Proposals

12. Increase the emphasis—including budget, planned units, program design, and delivery priority—on multifamily buildings relative to single-family buildings in the 2028–2030 Plan.
13. Specifically increase the emphasis on multifamily electrification in the new Plan.
14. Have the Program Administrators and Consultants collaborate to improve multifamily reporting and evaluation across all sectors, particularly Residential and C&I.

Primary questions: Does the Council support the Consultants' straw proposals? Why or why not? Are there additional proposals the Council should consider for the 2028-2030 Plan?

Discussion Summary

Proposal-level indications of support: Proposals 12 and 14 received broad support for greater multifamily emphasis and improved cross-sector reporting. Views on Proposal 13 were mixed and unresolved: several Councilors supported greater multifamily electrification, while others opposed it, leaned toward opposition, or made support conditional on tenant-cost, equity, building-performance, and budget protections.

Differences and tensions: The main tension concerned electrification. Some speakers supported a stronger push, while others warned that higher operating costs, rent effects, or poorly matched systems could harm tenants. The group also disagreed about whether Mass Save funds should support customers served by municipal light plants.

Context and qualifications: Multifamily properties vary widely in ownership, metering, fuel, and system configuration. Speakers noted that custom scoping and landlord agreements can address some risks, but protections and benefits must be evaluated from the tenant's perspective, not only at the building level.

Questions raised: Councilors asked how programs will demonstrate net benefits to renters; prevent rent or utility-cost pass-through; improve reporting by sector; coordinate pooled or cross-sector incentives; and define eligibility for municipal-light-plant communities.

Clarifications and Factual Context

- Brooks Winner described the multifamily core initiative as using building-specific scoping and agreements with property owners rather than a single standardized treatment for every building.
- Doug Quattrochi noted that electrification projects may include landlord commitments or rent protections, while also questioning whether current protection periods are long enough.
- Commissioner Elizabeth Mahony stated that Mass Save funds should not subsidize customers who do not pay into the program and pointed to the DOER Z-Loan as a separate resource for municipal-light-plant communities.
- The Consultant Team clarified that landlord agreements associated with 100 percent incentives applied within Designated Equity Communities and did not represent a comparable statewide requirement in the market rate program.

Comments by Speaker

- **Brooks Winner:** Supported Proposals 12, 13, and 14. He also requested clarity about the source of additional multifamily funding and emphasized custom building analysis and landlord protections.
- **Will Rose:** Supported Proposals 12 and 14. He was skeptical and leaning toward opposition on Proposal 13 because of cost-effectiveness and the risk that electrification could shift heating costs to tenants.
- **Doug Quattrochi:** Supported Proposals 12 and 14 and had significant questions about Proposal 13. He requested direct accounting of multifamily contributions and benefits and raised concerns about building performance, tenant costs, and the duration of rent protections.
- **Martijn Fleuren:** Did not clearly endorse Proposals 12 or 13 as written. He argued that increased budget or emphasis would not achieve greater scale without simplifying the multifamily delivery model across income and program categories.
- **Brian Beote:** Supported Proposals 12 and 14. He had significant questions about Proposal 13 and did not want increased electrification to raise residents' energy burdens, although he recognized that electrification may be the only large savings opportunity in some buildings.
- **Bob Rio:** Commented specifically on Proposal 13 and was skeptical of increasing multifamily electrification without case-by-case analysis and assurance that benefits would reach tenants rather than being offset by higher rents or energy costs. He did not state support for all three proposals.
- **Sharon Weber:** Was generally supportive of the multifamily proposals and favored the increased emphasis in Proposal 12, but wanted a clearer and simpler cross-sector delivery model. Discussion of Proposal 13 left her uncertain about how to reconcile economies of scale with building-specific conditions.
- **Audrey Hettinger:** Supported Proposals 12, 13, and 14, with her strongest support for Proposal 14. She viewed improved reporting as necessary to guide increased multifamily emphasis and better reach renters.

- **Greg Abbe:** Supported Proposals 12, 13, and 14. He viewed tenant-cost impacts under Proposal 13 as risks to manage rather than reasons to stop and urged reporting and incentive coordination across Residential, C and I, and income-eligible pathways.
- **Emily Audet:** Expressed strong support for Proposal 12 as a way to reach renters. She did not state a separate position on Proposals 13 or 14 in her recorded comment and suggested a broader Workshop 4 focus on renter access.
- **Commissioner Elizabeth Mahony:** Supported greater multifamily attention for customers who pay into Mass Save. She did not state a separate position on each of Proposals 13 and 14 and opposed using Mass Save funds for municipal-light-plant customers who do not contribute to the program.
- **Mary Wambui:** Opposed Proposal 13 if increased multifamily electrification would divert vital resources from Designated Equity Communities or income-eligible programs. She did not state support for Proposal 14 in the recorded comment.

Focus Area 5: Financing

DISCUSSION 5

Consultant Team Straw Proposals

15. Continue the HEAT Loan offer that the Program Administrators planned to roll out at the end of 2026. Assess impacts in 2028 with a view to possible changes for the 2029 program year.
16. Inform customers of the specific incentive value they receive from Mass Save through the HEAT Loan.

Primary questions: Does the Council support the Consultants' straw proposals? Why or why not? Are there additional proposals the Council should consider for the 2028-2030 Plan?

Discussion Summary

Proposal-level indications of support: Proposal 16 received very strong support from Councilors who addressed it. Proposal 15 remained highly mixed and unresolved: some Councilors supported continuation and cautioned against major restrictions, while others found the proposal insufficient, wanted stronger targeting or cost controls, or opposed continued market-rate loan subsidies.

Differences and tensions: Views diverged sharply on Proposal 15. Some speakers favored preserving a broadly accessible zero-interest loan as a core program tool. Others supported income-based limits, a low-interest structure, or a cap on the maximum benefit to reduce free ridership and control cost.

Context and qualifications: The discussion linked the HEAT Loan closely to heat-pump adoption and noted that the interest subsidy represents a substantial program expense. Speakers questioned whether gross interest cost, net-present-value cost, or estimated savings from redesign should be the governing metric.

Questions raised: Councilors requested the source and methodology for the free-ridership estimate; the basis for projected savings; loan-use data by income and measure; a comparison of zero- and low-interest options; and an assessment of whether income verification would create unacceptable administrative barriers.

Clarifications and Factual Context

- Martijn Fleuren stated that approximately 40 percent of heat-pump installations use the HEAT Loan, making financing policy consequential for electrification uptake.
- Greg Abbe stated that heat pumps account for approximately 92 percent of current HEAT Loan volume.
- Mary Wambui cited approximately $41 million in interest costs and asked that the program distinguish the nominal total from the appropriate present-value or budget measure.
- Several speakers challenged the cited 3 percent free-ridership estimate and requested its underlying source and calculation.
- A Program Administrator representative explained that the net present value of the loan subsidy is paid to lenders up front and described recent caps and competitive solicitations intended to reduce financing cost.
- The Consultant Team noted that a HEAT Loan free-ridership study was underway and that its findings would inform later review.
- A Program Administrator representative estimated the revised HEAT Loan cost at about $3.5 million per year, or roughly 7 percent of the total budget, and raised a related option of limiting customers to either a direct incentive or financing benefit.
- The Program Administrator also explained that lender underwriting varies, making consistent income verification easier at the program-vendor level than across multiple independent lenders.

Comments by Speaker

- **Martijn Fleuren:** Supported continuing the near-term HEAT Loan changes under Proposal 15 but opposed major future restrictions and income verification that could reduce heat-pump adoption. He supported Proposal 16 and requested the projected savings from the proposed loan-term change.
- **Bob Rio:** Favored limited changes under Proposal 15 and opposed income-based restrictions, while supporting consideration of a low-interest loan for all customers. He strongly supported Proposal 16.
- **Sharon Weber:** Strongly supported Proposal 16 but was not satisfied with Proposal 15, which she believed did not adequately address free ridership and could impose additional process on customers who most need assistance.
- **Will Rose:** Strongly supported Proposal 16. He was dissatisfied with Proposal 15 as a long-term direction, challenged the 3 percent free-ridership estimate, and wanted more substantial targeting or redesign while considering financing and heat-pump incentives together.
- **Commissioner Elizabeth Mahony:** Supported Proposal 16 but believed Proposal 15 may not go far enough. She proposed examining a maximum total market-rate customer benefit combining rebates and the loan subsidy and was open to either zero- or low-interest financing.
- **Greg Abbe:** Supported Proposals 15 and 16, particularly Proposal 16. He urged caution about changes that could reduce heat-pump participation or jeopardize greenhouse-gas goals and noted that free ridership is ordinarily addressed through net-to-gross accounting.

- **Brooks Winner:** Supported Proposal 16 and was generally supportive of Proposal 15 but wanted the Council to consider going further through income-based limits or other targeting if verification could be implemented without undue barriers.
- **Mary Wambui:** Opposed Proposal 15 and rejected continued ratepayer subsidies for market-rate loans, arguing that the funds should instead address unmet low-income needs. She did not state a position on Proposal 16 in her recorded comment.
- **Emily Audet:** Was open to income-related HEAT Loan design under Proposal 15 if verification could be coordinated with lenders without creating major participation barriers. She did not state a position on Proposal 16 in her recorded comment.

Closing and Next Steps

After the proposal discussion concluded, facilitators reviewed how the record would be used and described the remaining planning process.

- Facilitators stated that Councilor support, objections, questions, additions, and proposed refinements would be compiled and shared back with the Council.
- Workshop 4 was announced for October 15, 2026. The updated meeting notice was identified as the source for final scheduling details.
- The first portion of Workshop 4 was expected to address remaining topics involving equity, active demand management, and workforce development.
- The second portion was expected to refine recommendations from all four workshops, with particular attention to proposals that required more development or did not yet have clear consensus.
- Council deliberation was expected to continue through later EEAC meetings and the resolution-development process. Members of the public were reminded that written comments could be submitted to the EEAC and posted to the public record.

Appendix A: Named Participants and Speakers

This appendix identifies meeting leaders, presenters, Council participants, and other speakers included in the Workshop 3 meeting record. It is a workshop-note aid and not a formal statutory attendance certification.

Name	Role in Workshop
Jo Ann Bodemer	DOER Director of Energy Efficiency; welcome and roll call
Sonia Bouvier	UMass Donahue Institute; co-facilitator
Sharon Vardatira	UMass Donahue Institute; co-facilitator
Margie Lynch	EEAC C-Team lead residential consultant; presenter
Griffith Keating	EEAC C-Team; technical resource
Commissioner Elizabeth Mahony	Commissioner; Council participant
Greg Abbe	EOED; Council participant
Brian Beote	Action Inc. and LEAN; Council participant
Audrey Hettinger	Massachusetts Association of Realtors; Council participant
Paul Johnson	Council participant
Kyle Murray	Acadia Center; Council participant
Bob Rio	Council participant
Will Rose	Office of the Attorney General; Council participant
Emily Audet	Emerald Cities Collaborative; participating for Alexis Washburn
Sharon Weber	MassDEP; Council participant
Brooks Winner	City of Boston and Massachusetts Cities and Towns; Council participant
Martijn Fleuren	Energy Efficiency Businesses; Council participant
Hessan Farooqi	BCAN; proxy for Grace Umaña
Grace Umaña	BCAN; joined during the workshop
Doug Quattrochi	MassLandlords; Council participant
Mary Wambui	Council participant; joined during the workshop
Meg Lusardi	Council participant; joined during the workshop
JW Hackett	Council participant; joined during the workshop
Chris McClellan	Eversource; Program Administrator response
Melanie Coen	National Grid; Program Administrator response
Bret Wilkins	Program Administrator representative; financing responses