MA ENERGY EFFICIENCY ADVISORY COUNCIL

→ CONSULTANT TEAM

TABLE OF CONTENTS

Introduction 2

Overview 2

Equity Guiding Principles For 2025-2027 3

Recommendations And Supporting Information 4

Summary 18

Appendix A: Equity Working Group Members 20

Appendix B: Participating Stakeholders 21

INTRODUCTION

This document has been drafted to brief Councilors on key equity-related planning issues for the Mass Save® 2025-2027 Term energy efficiency plan in advance of a workshop meeting on October 10, 2023 dedicated to equity matters across all sectors. This brief is different from those for the Council's other workshops for this planning cycle in that the draft recommendations are being advanced by the EEAC's Equity Working Group (EWG), a subcommittee of the Council. This brief contains additional context and analysis to support Councilors' consideration of the recommendations.

OVERVIEW

The equity recommendations in this brief for the Mass Save 2025-2027 energy efficiency plan build on a foundation of more than a decade of advocacy, research, and implementation experience. The Residential and the Commercial and Industrial Small Business Nonparticipant Studies[1] completed in 2020 confirmed that certain customer groups—moderate income households, renter households, limited English-speaking households, and microbusinesses[2]—participate in Mass Save's energy efficiency programs at lower rates than other customers. These findings spurred creation of the Equity Working Group[3] by the EEAC in May 2020, and its work during the 2022-2024 planning cycle was instrumental to achieving a significantly increased focus on equity in that plan, including enhanced incentives, an equity component for the Performance Incentive mechanism, programmatic changes including the Community First Partnerships, and adoption of Equity Targets[4] for the Term.

A reminder that equity is not the same as equality. Equality means each individual or group of people is given the same resources or opportunities. Equity acknowledges that each person has different circumstances and allocates the necessary resources and opportunities to reach an equal outcome. Per the Metropolitan Area Planning Council's (MAPC) State of Equity Policy Agenda[5], equity "requires restructuring deeply entrenched systems of privilege and oppression that have led to the uneven distribution of benefits and burdens over multiple generations. Society will be stronger when the promise in all of us is actualized."

Achieving equity after a long period of inequitable investments and outcomes is no small feat. Although progress has been made, results to date in meeting the Equity Targets and other planning goals have fallen short in some areas. Achieving equity inevitably involves trial and error, and the Equity Working Group continues to work outside of the planning cycle to monitor progress on implementation and to collaborate with the Program Administrators (PA) on solutions to overcome remaining barriers. Furthermore, there is a need to recognize that the solutions to overcome these barriers will not always be the same across the Commonwealth. Equitable investments may not look or be the same in a rural community compared to an urban community. The PAs will need to partner with communities and deliver solutions that address their unique equity barriers.

The time period in which the EWG developed its recommendations for the 2025-2027 Three Year Plan was significantly compressed in comparison to the time period for developing recommendations for the 2022-2024 Three Year Plan. That said, the recommendation development processes themselves are fundamentally the same in that, for both sets of recommendations, the EWG hosted input sessions with stakeholders to learn more about their experiences with Mass Save and opportunities to overcome remaining barriers to participation. Stakeholders engaged in the recommendation development process for the 2025-2027 Plan include program contractors, Community First Partners, and customers (including landlords and tenants). Stakeholders provided input during EWG meetings dedicated to these topics:

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[1] Residential: https://ma-eeac.org/wp-content/uploads/MA19X06-B-RESNONPART_Report_FINAL_v20200228.pdf
C&I: https://ma-eeac.org/wp-content/uploads/Final-MA19X11_B_SBNONPART-Report-20200415-1.pdf

[2] Consumption (annual) of <0.11 GWh electricity or <8,000 therms gas.

[3] A list of the current members of the EWG may be found in Appendix A.

[4] https://ma-eeac.org/wp-content/uploads/Attachment-B-Equity-Targets-Framework-Final.pdf

[5] https://equityagenda.mapc.org/

- Low and moderate income electrification
- Community First Partnerships and language access
- Renters and landlords, small business
- Moderate income customers

The input they provided was extremely valuable and shaped many of the EWG's recommendations. A list of the stakeholders who provided input to the EWG may be found in Appendix B.

EQUITY GUIDING PRINCIPLES FOR 2025-2027

The Equity Working Group's recommendations for 2025-2027 are guided by three principles:

- Apply principles of distributive justice to redirect resources to underserved populations
- Improve/simplify customer experience
- Energize and resource communities to better serve their constituents through partnerships with Mass Save

Apply Principles of Distributive Justice to Direct Resources to Underserved Populations. Distributive justice refers to how benefits and burdens of living together as part of a society are experienced differently by members of society based on economic, political, and social structures. The EWG is committed to improving the distribution of energy efficiency resources and benefits across all populations within the Commonwealth and achieving greater equity. The 2025-2027 Term should be focused on maximizing benefits for those communities, social groups, or individuals least advantaged and/or most marginalized. As already noted, the Nonparticipant Studies completed in 2020 confirmed that certain customer groups—moderate income households, renter households, limited English-speaking households, and microbusinesses—participate in Mass Save's energy efficiency programs at significantly lower rates than other customers. Applying the principles of distributive justice in the 2025-2027 plan will require a more deliberate emphasis in reaching and investing in communities and individuals who have historically participated in Mass Save at lower rates.

Improve/Simplify Customer Experience. Public input to the EEAC and the EWG has repeatedly emphasized that the complexity of the Mass Save programs—from eligibility determination to enrollment processes to multiple program offers and contractors—poses a barrier to participation. As a result, improving and simplifying the customer experience has been a consistent theme through the Council's planning workshops for the 2025-2027 Term. While there are numerous reasons to improve and simplify the Mass Save experience for all customers, many of them are rooted in considerations of equity. Because the circumstances of underserved customers result in barriers to participation that historically well-served customers do not face, simplifying and improving the customer experience for underserved customers is particularly important. Limited proficiency in English, for example, poses a barrier to a customer seeking to take *one* step to access an energy savings opportunity, much less to take many (e.g., research program offers on website, make a call to Mass Save, interact with an auditor and subsequent contractors, secure financing). And while the amount of time and energy it takes to navigate and attend to the many steps involved in the Mass Save process poses a barrier for all customers, that barrier is magnified for underserved customers because they are more likely to face other barriers (e.g., limited proficiency in English, limited financial resources, limited "free" time due to responsibilities associated with being a landlord or having multiple jobs.) Simplifying access to Mass Save's programs will enable these customers to participate more easily.

Customers should be served comprehensively through a process that is as simple and straightforward as possible without compromising quality, safety, or satisfaction. The Mass Save journey should not require the customer to coordinate and manage interactions with multiple contractors, with varying interests and levels of expertise. Bundling of services through a "general contractor" is viewed by the EWG as an appropriate approach to serving customers. Until this type of one stop shop service can be achieved, a project

facilitator/navigator or supported journey should be required.

In sum, underserved customers should have "ready access" to weatherize and electrify or make their buildings electrification-ready through the employment of approaches that significantly reduce barriers to entry and implementation, including:

- Simplified qualification mechanisms/requirements,
- project facilitation/project management,
- technical assistance/support, and
- increased incentives for weatherization (often abbreviated as Wx), heat pumps, and barrier mitigation to enable weatherization and/or electrification/electrification ready.

Energize and Resource Communities to Better Serve Their Constituents Through Partnerships with Mass Save. The Equity Working Group maintains that communities, including geographic areas with high levels of underserved customers[6] and Community First Partnership (CFP) communities[7], play a key role in achieving equity in the delivery of energy efficiency. Delineating geographic focus areas where customers are automatically eligible for expanded services (project management/facilitation/technical assistance) and increased financial support (e.g., 100% cost coverage for weatherization and heat pumps), as well as improving support provided through the Community First Partnerships, should center our equity efforts during the 2025-2027 Term. In CFP communities, residents and small business owners should have access to local quarterbacking/project management/heat pump coaching services, and in specific focus areas with high levels of underserved populations[8], there should be automatic eligibility for all rental properties with 100% incentives for weatherization, heat pumps, and (to the extent possible) mitigation of barriers to energy efficiency and heat pumps. In addition, eligibility requirements for all moderate income customers should be streamlined and Mass Save should provide increased incentives for qualified moderate income customers.

RECOMMENDATIONS AND SUPPORTING INFORMATION

Overview

As stated earlier in this brief, equity acknowledges that each person has different circumstances and allocates the necessary resources and opportunities to reach an equal outcome. In their 2022-2024 Plan, the PAs started acknowledging and seeking to address historic imbalances in several regards, including creation of an Equity component to the Performance Incentive mechanism to reward benefits achievements in underserved communities and $136 million in dedicated moderate income weatherization and heating equipment incentives. Based on reported performance data—including from the Equity Targets—and reflecting input from stakeholders, the Equity Working Group maintains that the PAs must strive even further to achieve equitable outcomes in the 2025-2027 Term. In the context of Mass Save and its history, restructuring deeply entrenched systems of privilege and oppression inherent in society requires that resources historically realized by more affluent customers and communities through the Residential Sector programs must in the future be more deliberately directed to less-resourced, underserved customers and communities who face relatively more barriers to Mass Save participation compared to historically well-served customers.

[6] The EWG, DOER and the Program Administrators will work collaboratively to determine the specific focus areas eligible to receive enhanced offerings. See Recommendation I.C. for a list of considerations to determine eligible areas.

[7] Input from the Community First Partners and their lead vendor, All In Energy, indicates that community partners are able to connect underserved populations with Mass Save services.

[8] The EWG, DOER and the Program Administrators will work collaboratively to determine the specific focus areas eligible to receive enhanced offerings. See Recommendation I.C. for a list of considerations to determine eligible areas.

With this context, and based on the guiding principles described above, the EWG has developed a set of recommendations designed to work together to achieve more equitable outcomes. In general, the recommendations are designed to provide additional comprehensive resources through easily accessible Mass Save processes to underserved customers. A centerpiece of the recommendations are offers providing 100% cost coverage for weatherization and heat pumps to underserved customers, with streamlined eligibility and qualification requirements based on geography. In addition, improvements to equitable outcomes do not occur overnight, and it is critical that data collection supports measurement and analysis of progress over time. The Equity Targets and associated reporting during the 2022-2204 Term have been valuable in identifying where course corrections are needed. It is important that data collection efforts and the Equity Performance Incentive mechanism continue to be a high priority in 2025-2027 and that they be updated to reflect the equity recommendations for the new Term.

Finally, the recommendations provide foundational principles and other strategies to support equity across the board, as well as further address specific customer segments and communities (e.g., small business, English-isolated customers, Community First Partnerships).

Organization of the Recommendations:

The EWG recommendations are organized as follows:

- Geography-based offers
- Other recommendations:
    - Foundational principles
    - Community First Partnerships
    - Language access
    - Workforce
    - Small business
    - Measuring success

I. RECOMMENDED GEOGRAPHY-BASED OFFERS FOR RENTAL PROPERTIES AND MODERATE INCOME CUSTOMERS

There are communities in the Commonwealth with relatively low average household incomes, high proportions of racial and ethnic minorities and immigrants, older building stock, lower rates of home ownership, and lower rates of participation in Mass Save programs. These are the communities that the Equity Working Group believes should receive the highest levels of investment in the 2025-2027 Term. The EWG maintains that the list of Environmental Justice Communities the Department of Public Utilities (DPU) identified in its Order approving the 2022-2024 Plan[9] is overly broad. The recommended offers for enhanced incentives and services described below should represent an increased focus on populations with the most barriers to accessing Mass Save benefits in the Commonwealth. This will require a careful balancing of appropriate demographic, income, and participation criteria, practicality of administration, and budgetary implications. The PAs and DOER will work to identify a geographic solution for this approach in consultation with the EWG.

[9] The DPU changed the criteria agreed to by the PAs, DOER, and the Equity Working Group, resulting in a larger group of communities (61 vs. 38) and elimination of an income-based criterion.

Offer and Recommendations That Apply Within To-Be-Determined Geographic Area(s)

Property type	Eligibility process	100% Wx incentive	Expanded funding for pre-Wx barrier mitigation	100% Heat pump	100% Panel upgrade	100% Targeted air sealing	100% Window	Services to reduce customer time and effort	Other/ appliance
Rental property-Wx only	Automatic	Yes	Yes	N/A	N/A	N/A	N/A	Support services (project facilitation similar to a general contractor, heat pump coaching)	Increased rebate for efficient electric appliances, including induction stoves
Rental that wants to electrify	Automatic			Yes (case by case for gas)	Yes	Yes*	Single to triple pane. Consider double to triple	Support services (project facilitation similar to a general contractor, heat pump coaching)	Same as above, plus an added bonus amount for induction stoves
Non-rental-Wx only	Automatic	Yes	Yes	N/A	N/A	N/A	N/A	Support services (project facilitation similar to a general contractor, heat pump coaching)	Increased rebate for efficient electric appliances, including induction stoves
Non-rental that wants to electrify	Some kind of income verif. (simplified or current PA process)			Yes (case by case for gas)	Yes	Yes*	Single to triple pane. Consider double to triple	Help with income verification plus support services	Same as above, plus an added bonus amount for induction stoves

Wx=weatherization

*Note: it is assumed that properties that want to electrify & receive the enhanced electrification incentives would also weatherize, and that funding for targeted air sealing would be part of that.

A. RECOMMENDATION: **Develop and implement a residential offer, in select geographic areas, to provide rental properties with an offer that includes automatic qualification for measures as depicted in the chart above, including the following:**

1. 100% cost coverage for weatherization
2. An expansion of and/or increase in funding for pre-weatherization barriers as appropriate
3. 100% cost coverage for heat pumps and for pre-electrification barriers (e.g., electrical panel upgrades)

   The EWG recognizes that utility costs may increase when heat pumps are installed, and that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE) and/or "cost-shifting" when central fossil fuel systems are converted to heat pumps on individual tenant meters. Refer to Foundational Principle II.C. below for the EWG's recommendation to address this issue.

4. Increased rebates for efficient electric appliances, including induction stoves
5. Where properties electrify, an increased rebate for induction stoves

B. RECOMMENDATION: **Develop and implement a residential offer, in select geographic areas, to provide non-rental properties with an offer that includes qualification mechanisms and measures as depicted in the chart above, including the following**:

1. Automatic qualification for:

   a. 100% cost coverage for Wx

   b. An expansion of and/or increase in funding for pre-Wx barriers as appropriate

   c. Increased rebates for efficient electric appliances, including induction stoves

2. Qualification based on income:

   a. 100% cost coverage for heat pumps and pre-electrification barriers

      The EWG recognizes that utility costs may increase when heat pumps are installed, and that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE). Refer to Foundational Principle II.C. below for the EWG's recommendation to address this issue.

   b. For properties that electrify, an increased rebate for induction stoves.

C. RECOMMENDATION: By January 15, 2024, the Mass Save Program Administrators and DOER, with input from the EWG, will determine geographic areas in which to provide the offers described in I.A. and I. B. above. In designating such areas, the following types of factors will be considered:

- Average or median income level of residents
- The historical level of Mass Save investment in the area
- Whether or not the area is a Gateway City as defined by M.G.L.ch. 23A section 3A
- Average education level of residents
- Minority status of residents
- The extent to which residents are English-isolated
- The percent of primary residences relative to the percent of "second homes" in the area
- Minimizing "free ridership" to the appropriate extent, keeping in mind the goal of distributive justice (increasing investment in areas that have been historically under-invested in)
- Include an appropriate method of limiting luxury and/or newer rental property participation to prevent receipt of enhanced rebates, incentives, or services to market rate customers
- Consider First Street Foundation's Flood Factor[10], provided it remains publicly available, based on

[10] Available free of charge at https://riskfactor.com/.

simply address

- Impact on the Mass Save residential budget
- Ease of implementation, including, for example, messaging or impact on the rebate or incentive delivery process

Offer and Recommendations That Apply To Moderate Income Customers Outside The To-Be-Determined Geographic Areas

Moderate income customers are households whose income is between 61% and 80% (inclusive) of state median income (SMI) or area median income (AMI), whichever allows for greater participation.

Upgrade outcome	Eligibility process	100% Wx incentive	Expanded funding for pre-Wx barrier mitigation	100% Heat pump	100% Panel upgrade	100% Targeted air sealing	100% window	Services to reduce customer time/effort	Other appliance
Wx only	Some kind of income verification (simplified or current PA process)**	Yes	Yes	N/A	N/A	N/A	N/A	Help with income verification. Support services (project facilitation similar to a general contractor, heat pump coaching),	Increased rebate for efficient electric appliances, including induction stoves
Electrification/ heat pumps	Some kind of income verification (simplified or current PA process			Yes (case by case for gas)	Yes	Yes*	Single to triple pane. Consider double to triple	Help with income verification. Support services (project facilitation similar to a general contractor, heat pump coaching),	Same as above, plus an added bonus amount for induction stoves

* Note: it is assumed that properties that want to electrify & receive the enhanced electrification incentives would also weatherize, and that funding for targeted air sealing would be part of that.

**This is not meant to change the current offer of 100% cost coverage for Wx for 2-4 unit homes.

D. RECOMMENDATION: Develop and implement an offer for moderate income customers outside select geographic areas, to include the following (See chart above for a visual depiction):

1. 100% cost coverage for Wx
2. An expansion of and/or increase in funding for pre-Wx barriers as appropriate
3. Increased rebates for efficient electric appliances, including induction stoves
4. 100% cost coverage for heat pumps and pre-electrification barriers (e.g., electrical panel upgrades)

The EWG recognizes that utility costs may increase when heat pumps are installed, and that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE) and/or "cost-shifting" when central fossil fuel systems are converted to heat pumps on individual tenant meters. Refer to Foundational Principle II.C. below for the EWG's recommendation to address this issue.

5. Where properties electrify, an increased rebate for induction stoves

DOER Notes on the Geographic recommendations:

Bob Rio—notes that heat pumps (HP) don't last as long as fossil fuel equipment and that there's a prohibition on the # of HP rebates within a certain time period and that we need to consider this if we are incentivizing HPs

Charlie H.—concern about self-attestation, including the need to exclude luxury high rise apts

Greg Abbe—funding for electrical upgrades is very important as well as needing to consider/work on improving electrical infrastructure

Paul Johnson—disagrees with the automatic qualification for rental properties and is generally concerned about any incentives that are a "windfall" for LLs

Brooks—Note that the recommendations re heat pump incentives acknowledge that gas to electric should be a case by case determination. Also, keep in mind that LLs are underserved even if they aren't financially challenged

EWG/EEAC recs need to be shared w/ GMAC so that they are aware as they work on grid mod

Solar for All should also be considered

Mary Wambui—the problem is equity not abuse! Brought up Merrimack Valley example—following gas explosion, there was 100% Wx for all 3 communities and Lawrence took advantage of this much less than Andover & N. Andover.

Dennis—need to consider cost/budget implications of increases in incentives

Charlie—seconded need to integrate climate goals/Mass Save w electrical capacity planning work

Bob Rio—there should be a study on HP pricing. Need to consider need for new pots/pans w induction stoves.

Sharon—ditto on need to fund pre-electrification barriers and integrating Mass Save/climate goals w electrical capacity planning

Mary—MA is heading away from fossil fuel—need to ensure that LMI customers aren't left with "stranded gas assets". If we leave them out today, we're setting the stage for future problems.

Brooks—pointed out that there are recommendations re HP pricing in the Foundational Considerations

Kyle M—ditto on working with GMAC/electrical capacity issues

Michelle's Summary (DOER notes):

- Need to be aware of utility bill impacts associated with HPs

- Concerns re free ridership
- Concerns re HP pricing
- Intersection b/t HPs/electrification and grid mod/capacity

OTHER RECOMMENDATIONS

II. FOUNDATIONAL PRINCIPLES

A. RECOMMENDATION: Where qualification is based on income, utilize area median income (AMI) or state median income (SMI), whichever allows for greater participation.

B. RECOMMENDATION: To inform the 2025-2027 Three Year Plan, the Mass Save Program Administrators and DOER, with input from the EWG, will determine an appropriate income verification process for offers where qualification for financial support for measures, or for services, is not automatic and is based on income. The purpose is to simplify and streamline the customer income qualification process to the extent possible and appropriate, including consideration of ways to appropriately balance the need to reduce barriers to income qualification processes with the need to ensure that moderate income incentives are not received by market rate customers. ~~and t~~The approaches listed below shall be considered. Note that this list is not meant to be exhaustive and other approaches may be considered.

1. "Self-attestation plus follow-up checking" for moderate income residents that do not meet the automatic qualification requirements. Note that appropriate resources should be dedicated to assessing the effectiveness of this methodology and that such assessment should include a consideration of the extent to which moderate income incentives are received by market rate customers.

DOER Notes

Charlie—need to keep track of "honest ppl making mistakes"

Greg—need for QA/QC on income verification and to connect utility side to efficiency side so that ppl don't miss out on reduced rates

a. Consider a self-attestation pilot in Lawrence or Lowell

b. Consider ways to limit the "luxury" and/or newer rental property participation to prevent receipt of enhanced rebates, incentives, or services to market rate customers

Paul J—need to limit/exclude luxury properties.

- Margie shared that looking at rents or age of building may be ways to do this

2. **Use software that provides real-time, "instant" approval of income qualification determination. Note that such software may need to be developed** or created by the PAs.

DOER Notes

Maggie D—clarify whether this includes developing or creating software (Margie brought up that PAs can fund development of this software)

Mary W—think about engaging with MIT

Margie L—self attestation is "endorsed" by DOE in Homes/Heera (Brooks agreed)

3. The current PA process for income verification.

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- **C. RECOMMENDATION: To inform the 2025-2027 Three Year Plan, with input from DOER and the EWG, the PAs will work to identify and implement approaches designed to address the potential increase in utility costs that may occur when heat pumps are installed. The EWG recognizes that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE) and/or "cost-shifting" when central fossil fuel systems are converted to heat pumps on individual tenant meters. Examples of approaches that should be considered to address this issue include:**
- Requiring that heat pumps be placed on a landlord-owned panel consistent with M.G.L.c. 186, section 14

DOER Notes

Paul—LL's prob won't go along with this

Brooks—we don't know that any of our recommendations will work and we are trying things out and we know that what's currently happening isn't working. So we need to try new things

Kyle—ditto re Brooks—are there other ideas to increase participation by LLs rather than a mandate?

Mary—EE programs are a section of larger energy-related work.

Greg—maybe some LL's won't take us up on these offers but some will

Charlie—the recommendation is carefully worded—this would apply where tenant is currently paying for heat but it's gas, and where it's a central system

Doug Q—law says that LLs can't move utilities from their meter to a tenant's meter w/o written agreement from tenant. Mass LL has been educating LL's on this for awhile. Emphasized that Mass LL supports this recommendation.

- Providing landlords with information about their responsibilities as landlords, including the legal prohibition against violating a lease provision stating that heat will be included in rent

DOER Notes

Charlie—tenants and LL's need to understand their responsibilities

- Providing homeowners, landlords and tenants with the following types of written information:
    - The Massachusetts Green Communities Act requires that Massachusetts be net zero greenhouse gas emissions by 2050,
    - Heat pumps can reduce greenhouse gas emissions (e.g., they provide both heating and air conditioning with zero on-site fossil fuel emissions),
    - Utility costs may increase as a result of installing heat pumps
    - Steps that can be taken to mitigate potential utility bill increases
    - Requiring renters to sign an approval form with the information above to agree to the install

D. RECOMMENDATION: The PAs, with input from DOER and the EWG, shall develop and implement cost management strategies.

DOER Notes

Kyle –this is an important recommendation—need to guard against contractors driving up costs and pocketing incentives

1. Consider fixed pricing model for heat pumps as used in weatherization. (Note that a fixed pricing model may be most workable in situations where building typologies and associated heating system configurations can be identified and standardized.)

2. By January 2025, the PAs, in consultation with DOER, shall explore the extent to which Mass Save ~~they~~ can ~~implement an RFP for vendors to~~ provide bundled services (pre-Wx, weatherization, heat pumps), at fixed prices (or within specified price ranges), as used in weatherization, and report back, by said date, as to how this can be implemented~~.~~ Note that such services could be provided as a package as part of a "turnkey option".

DOER Notes

PAs: propose reframing this to "Consider a turnkey option to provide bundled services for weatherization and electrification of space heating" as an approach for managing cost

E. RECOMMENDATION: To minimize customer out-of-pocket expenses, develop and implement approaches to minimize customer out-of-pocket expenses where rebates or incentives are being provided. Example approaches are described in 2 and 3 below. ~~to provide instant approval of equipment/measure eligibility, and instant receipt of, financial support for equipment/measures.~~ Approaches may be implemented initially for moderate income customers and subsequently expanded.

DOER Notes**:**

PAs: Most likely approach for minimizing out of pocket expenses would be a quarterbacked model in which a vendor assesses/ scopes the work and subs out the various pieces.

1. Maintain quality assurance and quality control provisions that minimize burdens on the customer and contractor

2. Offer "instant payment" for any measures for which rebates are ~~financial support is~~ being provided so customers do not have any out-of-pocket expense, including **instant approval of equipment/measure eligibility, and instant receipt of rebates**. The PAs should ensure systems to provide direct payment to contractors in a timely manner for work.

DOER Notes

Sharon supports, ditto Kyle

3. Explore and implement other approaches as appropriate, such as increasing the number of contractors qualified to receive direct payments, enhancing the direct-to-contractor payment pathway to provide ACH payments, or, for moderate income customers, ~~and~~ instituting a coordinated delivery model or a quarterbacking model where a vendor develops a scope of work and subcontracts with other vendors for to various aspects of the scope of work ~~for moderate income customers~~. If possible, **PAs should consider setting up a pre-funded incentive account for contractors that participate in these programs for the purpose of not requiring contractors to float the money for instant rebates given to customers**. This account could be pre-funded and reconciled regularly (e.g., quarterly).

DOER Notes:

PAs:

PAs cannot provide a pre-funded account so would like to eliminate that piece of the recommendation.

PAs are working on enhancements to the direct to contractor pathway, such as ACH payments.

Most likely approach for minimizing out of pocket expenses would be a quarterbacked model in which a vendor assesses/ scopes the work and subs out the various pieces.

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F. RECOMMENDATION: Simplify the customer journey by facilitating access to services regardless of entry point.

1. Customers should be able to apply for energy efficiency services with a minimum of effort. Customers should not have to ask for service twice or be told to call another number. (The related accounting for budget and savings allocations can happen behind the scenes on the back end.)

DOER Notes

Sharon—this may not be that doable—eg if customer calls go to the utility billing ppl

Maggie D—generally call centers can forward calls so it's doable

2. All contractors should be able to seamlessly direct a customer to any service (e.g., warm hand off). Consider the following:
   a. Supporting a referral pool for contractors to pass on projects that they cannot address due to time/geographic/technological constraints
   b. A ~~small~~ referral fee if a project is completed by another contractor

DOER Notes

Paul supports all of these but specifically 2.B.—would make it a bigger/significant fee—and notes that HPCs are part of this

   c. Encouraging contractors, including contractors that are not home performance contractors, to build partnerships with other contractors to provide whole building services to a customer from what appears to be a one-stop contractor

DOER Notes

PAs: Focus efforts to support non-HPC contractors to build partnerships with HPIN and weatherization contractors to support referrals

3. LEAN and the PAs should continue and expand efforts for cross training of service providers between the IES and Residential programs

G. RECOMMENDATION: Provide all customers with simple, prioritized multistep action plan.

1. Improve messaging to provide information in a clear and easily understandable format

2. Prioritize customer education during each step of the process

H. RECOMMENDATION: As depicted in the charts above, provide facilitated support for customers through adoption of recommendations, including: general navigation, project facilitation, technical assistance and evaluation of quotes.

I. RECOMMENDATION: Provide additional service delivery improvements to reduce barriers to participation.

1. Ensure that ~~Retain a~~ lead vendors that ~~to~~ serve ~~multifamily~~ rental properties. ~~The lead vendor should~~ have expertise in serving ~~multifamily~~ rental properties (including smaller rental properties) and English-isolated customers, and in implementing community-based approaches.

DOER Notes

Greg—a single LV for all MF properties??

Margie—this recommendation isn't meant to be prescriptive—there are pros/cons of a single multi family (MF) lead vendor (LV) vs each PA having its own MF LV

Chris McC—concerned about introducing a new LV—several PAs use the same MF LV anyway—may be

better to build skills here

2. Work with municipalities served by Municipal Light Plants to develop a co-delivered offer for multifamily customers with gas through the investor-owned utilities, leveraging IRA funds as available

DOER Notes

Sharon—why are MLPs singled out here?

Margie—this was brought forward by Mass LL's. Re IRA funds—called out specifically here b/c a lot of MLPs are less resourced and b/c DOER is considering targeting MLPs w IRA money

In response to a question from Paul J, Jo clarified that we are recommending facilitated services (in the geographic areas) as specified in Recommendation II.H. above

J. RECOMMENDATION: Provide the necessary resources to support achievement of the objectives of these recommendations and to begin the process of achieving distributive justice. ~~Increase budget and plan goals for all moderate income BCR measures in absolute numbers and as a proportion of Residential Sector spending and goals (distributive justice)~~

1. Budgets for the 2025-2027 Plan should be overweighted toward underserved populations to begin addressing historic underinvestments.
2. The PAs should present a summary of **Equity Investments** to the Equity Working Group in advance of submission of the March 31 draft plan for discussion and feedback.

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DOER Notes

Sharon—planned or actual?

Margie—planned

Charlie—agrees w goal but wants to know what PAs think

Maggie D—Speaking for CLC –money and goals aren't enough—challenge is reaching/serving these customers

Margie—EWG hopes that 100% incentive for heat pumps is a game changer. Feedback we received is that increasing Wx incentive from 75% to 100% isn't enough to get ppl to go thru income verification but hope is that a 100% heat pump incentive would be motivating.

Mary W—recommended programmatic changes and distributive justice concept will necessitate an increased budget/goals. Clarify that increase in budget/goals is within this context.

Sharon—we need tracking/data--monthly tracking is needed when things are not on track (can be reduced when things are on track) particularly for moderate income--

III. COMMUNITY FIRST PARTNERSHIPS (CFPs)

A. RECOMMENDATION: Provide additional funding to support, as needed, hiring a heat pump coach, a facilitator/quarterback, and a small business liaison in each community, as well as to support language services, as needed. Note that it's possible that one entity could provide these services.

DOER Notes

Jhenny—PAs are strongly supportive, asked for clarification re these services

Margie—missed exactly what she said—Jo clarified that it doesn't have to be 3 separate ppl/entities

Commissioner—CFPs can help Solar for All implementation bu helping connect customers w Mass Save

1. Increase CFP budget to achieve objectives included in these recommendations

2. Provide additional flexibility for the program to support innovative, place-based solutions

DOER Notes

Paul J—what is needed? Doesn't CFP already provide flexibility?

Mary W—CFPs are reporting that approaches need to be approved by Mass Save and it's taking too long. And, CFP should allow partners more flexibility. Paul agreed

Sonakshi—PAs understand that flexibility is needed. PAs are working toward standardized approved materials and are willing to work on streamlining processes. Highlighted Community Innovation Fund

Maggie D—noted Education Fund?? And that lessons learned can be applied to CFP

Elizabeth—flexibility is needed and why isn't the specific funding mentioned integrated here?

Maggie D—can explain off-line—different pots of money evolved from stakeholder discussions for faster processes/more flexibility

Michelle's summary--Need for balance between standardization and flexibility

B. RECOMMENDATION: Support the CFPs' outreach efforts by allowing CFPs to develop ~~with~~ collateral material tailored to the CFP needs, including non-Mass Save energy-related efforts.

DOER Notes

Commissioner--Allow CFPs to leverage their work on non-Mass Save efforts for which there is other funding (eg Solar for All)

~~1. 1. Provide individualized marketing materials~~

2. Work with CFPs to develop outreach efforts

3. Expedite PA approval process

C. RECOMMENDATION: Work to improve data availability tailored to the CFP needs

1. Develop protocol to provide CFPs with appropriate access to information on what buildings have been served with what services so they can effectively target

DOER Notes

Paul J—supports but are there privacy concerns?

Margie—recommendation is about the building not the customer. Also there is public info about mortgage and property taxes by address...

Jhenny—PAs look forward to working w DOER on this

Maggie D—DPU will have to agree/approve

Sharon—supports property-based data, can we build on existing available databases

Brooks—the PAs have better info on things like Wx, who to reach out to at particular buildings, etc. Also noted that assessors' info isn't always correct

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D. RECOMMENDATION: Continue to work to increase the number of EJMs participating in Mass Save as CFPs.

1. Consider developing a referral program that has the ability to recognize community members within EJMs that refer other community members to services that they have received through Mass Save.

DOER Notes

Paul J—expressed support.

IV. LANGUAGE ACCESS

A. RECOMMENDATION: Provide end-to-end language support for all customers at all stages of service, including through Community Partners and throughout the Mass Save website.

DOER Notes

Commissioner—clarify that this starts with the Mass Save website. She sees 3 languages available

Sonakshi—this is already built into the Mass Save website

Brooks—translation isn't available all the way thru the website—eg tool for scheduling a heating/cooling consult isn't available in Spanish—notes that normalizing participation amongst non-native English speakers will take awhile and will require their friends, others in the community,etc. participating as well as providing services/website in the customer's preferred language

Jhenny—recommendations from Language Access Plan will be coming end of year

1. Begin this process with seven languages: Haitian Creole, Portuguese, Arabic, and all additional languages required by the US Election Assistance Commission's Language Access Designations pursuant to Section 203 of the Voting Rights Act (at time of recommendation, Spanish, Chinese, Vietnamese and Khmer (Cambodian)). Continue with other languages as appropriate.
2. Work to enhance language support to increase access on a community level (e.g., through CFPs) as appropriate.
3. Ensure that the Language Access Plan is fully implemented.

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B. RECOMMENDATION: Prioritize hiring of multilingual staff to ensure that customers have access to service in their preferred language for all Mass Save programs and at every Mass Save interaction.

DOER Notes

Sharon—could be single-lingual staff for different constituents doesn't need to be MF. Point is that

1. Increase visibility of indirect providers with additional language capabilities

~~**C. RECOMMENDATION: Record customer's preferred language at every interaction.**~~

C. RECOMMENDATION: Establish systems and procedures for recording customers' language preference to ensure that customers are served in their preferred language.

DOER Notes

Sharon—clarify that this is about serving the customer in their preferred language at every interaction

V. WORKFORCE

A. RECOMMENDATION: Through PAs' efforts and in coordination with MassCEC, ensure that equity considerations are included in workforce development recommendations from both the customer and contractor standpoint.

DOER Notes

Paul J—need contractor training in other languages especially Spanish

Jo—supported Paul's feedback and highlighted that we are doing this in Merrimack Valley

1. Ensure that the workforce is equipped to serve language isolated customers

2. Ensure that workforce efforts are designed to foster diversity amongst contractors, including providing contractor training in Spanish and in other languages as appropriate. Document which contractors are certified MWBEs in the various qualified contractor networks (home performance contractors (HPC), independent insulation contractors (IIC), and heat pump installer network (HPIN)). Additionally identify which contractors can provide services in languages other than English and document on the Mass Save website. Note that this self-identification could be optional.

3. ~~Consider adjustments to qualifications to ease entry for returning citizens~~ By January 2025, review background check requirements and implement changes to ease requirements for returning citizens to create opportunities while appropriately protecting the safety and security of participants.

DOER Notes

Paul J—clarify 3, 4 and 5

Margie—clarified that "returning citizens" means ppl returning to society from incarceration

Mary W—recently CEC awarded BlocPower a grant to launch a program to train returning citizens. So it makes sense to take steps to remove barriers to Mass Save participation for returning citizens

Brooks—Browning Green Space had a working group on "criminal offenders". Current practice is that there are blanket exclusions that prevent access to working in certain jobs and this doesn't always make sense (eg felony/misdemeanor classification includes ppl who didn't commit violent crimes). Agrees that there's need to re-examine the current Mass Save qualification requirements

Charlie—asked "how deeply does the Mass Save program look into the CORI results"? It's important to look closely at the CORI results, especially keeping in mind that ppl of color don't have the same advantages as white ppl in the criminal justice system. Noted that #3 and #7 are related.

Sonakshi—Speaking for National Grid: there is a review process if someone is rejected that considers the charge/crime, context etc. Customer safety must be balanced with this recommendation.

4. Establish a Contractor Development Pathway to ensure that contractors are adequately equipped to develop/grow their businesses.

DOER Notes

Margie—clarified that purpose of Contractor Development Pathway is to help disadvantaged contractors/businesses increase their business, increase number of jobs, increase wealth for them and their employees. Provides assistance in growing businesses.

Mary W—It's one thing to tell contractors about something; it's another to equip them. This is the next level from last plan proposal.

5. Clearly define the contractor journey pathway

6. Provide contractor- facing information about the Mass Save programs on the Mass Save website.

7. ~~By January 2025, review background check requirements and implement changes to ease~~

~~requirements as appropriate to encourage opportunities for potential employees while appropriately protecting the safety and security of participants.~~

VI. SMALL BUSINESS

A. RECOMMENDATION: Ensure that equity considerations are included in program design/implementation of any small business programs.

1. Provide translation services for Main Streets events

B. RECOMMENDATION: Provide concierge services for small businesses

DOER Notes

Sharon—supports more help/facilitation for small businesses

VII. MEASURING SUCCESS

A. RECOMMENDATION: Re-evaluate Equity Performance Incentive mechanism to ensure alignment with 2025-2027 EWG recommendations.

DOER Notes

Kyle—Performance incentive (PI) really motivates PAs, so he supports this.

Mary—DPU should not water down agreed-to PI mechanism

B. RECOMMENDATION: Revise the Equity Targets as a collaborative effort between the PAs, DOER and the Consultants, and the Equity Working Group to reflect the increased emphasis on equitable outcomes and the Equity Working Group's priorities and recommendations for the 2025-2027 Term.

C. RECOMMENDATION: Provide consistent tracking and reporting of data to assess progress toward achieving recommendations, including for "ready access" geography-based rental property and moderate income programs described above, and for multi-family projects (by project type, e.g., building size, ownership status, projects in certain geographies), and to measure success of CFP outreach efforts.

D. RECOMMENDATION: By Q3 2026, complete a "participant study" to better understand motivations for participation and why customers participate in Mass Save. Apply insights to develop and implement programmatic or process changes to increase participation by underserved customers and to reduce barriers to participation.

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DOER Notes

Paul J—support for evaluating CFP outreach efforts and would like a "participant study".

Mary W—start with current equity targets and build on them

SUMMARY

Equitable decarbonization must be the focus and outcome of the 2025-2027 Mass Save Energy Efficiency Plan. The Equity Working Group's priorities and recommendations are advanced to improve progress in ensuring that LMI customers, English-isolated customers, tenants, small landlords, and small businesses reap the benefits that have historically accrued to more well-resourced customers and communities.

Final thoughts (DOER notes):

Paul—need innovation wherever we can.

Commissioner—ditto to Paul—geography-based offers and connection to LL's is very important and we need innovation. She also supports CFP recommendations, and language access.

Meg L—difficult to pick which is more important—recommendations around increased access should be looked at across the board—eg eliminating wait times for rebate payments

Maggie D—need to coordinate with other programs and funding sources

Sharon—mentioned planning fatigue. Implementation is key also. Data is key to allow us to change course during implementation if it's not going well. Need increased reporting w/ more frequency if it's not going well

Jo—no one recommendation is more important. 3 pillars are woven into all recommendations. There's a need to consider all recommendations in context. Praised EWG for balancing everything.

Next steps (Michelle) (DOER notes):

DOER and C-team will put together any changes to the equity recommendations. Equity recommendations won't be part of workshop 6. Equity recommendations will be included in final draft recommendations that EEAC will vote on.

APPENDIX A: EQUITY WORKING GROUP MEMBERS

Member	Position
Jo Ann Bodemer, DOER	Councilor representing DOER
James Collins, LEAN	Councilor representing the low income weatherization and fuel assistance network
Charlie Harak, National Consumer Law Center	Councilor selected by the EEAC
Kyle Murray, Acadia Center	Councilor selected by the EEAC
Will Rose, Attorney General's Office	Councilor representing the Attorney General's Office
Co-chair Mary Wambui, Planning Office for Urban Affairs	Councilor representing Residential Consumers
Co-chair Brooks Winner, Metropolitan Area Planning Council	Councilor representing Commonwealth Cities and Towns
Margaret Downey, Cape Light Compact	Program Administrator
Jhenny Saint Surin, Eversource	Program Administrator
Sonakshi Saxena, National Grid	Program Administrator
Stephanie Terach, Liberty Utilities	Program Administrator
Cindy Luppi, Clean Water Action/Green Justice Coalition	Representing organizations that are not represented on the EEAC, selected by the seven Councilors of the Equity Working Group
Doug Quattrochi, Mass Landlords	Representing organizations that are not represented on the EEAC, selected by the seven Councilors of the Equity Working Group
Alexis Washburn, Emerald Cities Collaborative	Representing organizations that are not represented on the EEAC, selected by the seven Councilors of the Equity Working Group
Benjamin Cartwright	EEAC Consultant
Margie Lynch	EEAC Consultant

APPENDIX B: PARTICIPATING STAKEHOLDERS

TOPIC	STAKEHOLDER
Low and moderate income electrification	Dave Boettcher, Abode
	James Collins, Brian Beote, and Orest Manzi, LEAN
	Travis Estes, Abode
	Bill Graham, HomeWorks Energy
	Jacob Grier, Cape Cod Heat Pumps
	Mike Harris, Cape Cod Heat Pumps
	Chris Nichols, HomeWorks Energy
Community First Partnerships	Sherdyl Fernandez-Aubert, Berkshire Regional Planning Commission
	Degen Larkin, City of Boston
	Alex Pratt, City of Malden
	Alex Train, Chelsea Dept of Housing and Community Development
	Victor Vargas, City of Lowell
	Fangxue Zheng, Quincy Asian Resources Inc. (Quincy & Randolph)
Renters and Landlords	Hessann Farooqi from Boston Climate Action Network—representing renters
	Mary Knittle, Worcester Community Action Council
	Lisette Matos, landlord in Northern Worcester County
	Doug Quattrochi, MassLandlords
	Russell Sabadosa, landlord in Hampden County
Moderate Income	Chris Nichols, HomeWorks Energy
	Abel Vargas, Valley Home Insulation
	Gemma Wilkens, City of Gloucester