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HPC Position Letter
February 11, 2022

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To Mass Save Stakeholders:

Thank you to the members of the EEAC for continuing to support the need for necessary reform to maintain the success and viability of the residential Mass Save Program. While the EEAC has shown a strong desire to find a reasonable solution to the issues around program compensation, there are several issues that are concerning about the current state of affairs to HPCs.

Timeline:
When the PAs rolled out the $25/HEA and $75/Install plan in early January, they said they would roll out additional compensation changes by the end of the month. This was one of the main reasons why the council did not push further on the issue, even though the overall business impact identified by HPCs was an order of magnitude greater than this solution provided for, as the PAs indicated it would be resolved in short order. It is now mid-February and there have been no substantial conversations with HPCs around remuneration at all. The PAs indicated that the upcoming EEAC meeting would simply include an update on progress, with a possible presentation on proposed solutions in March. All the while, HPCs are still losing money. This is an untenable timeline.
The EEAC said in the beginning of January that since the PAs were committed to solving the problem by the end of the month that they should trust the PAs to do that. Now the entire timeline has shifted and HPCs are left holding the bag. This is an incredibly urgent matter for HPCs as the cost of doing business has only continued to increase over the last few months. The PAs do not share that same urgency, and it is causing HPCs to suffer. While the EEAC does not wish to mandate what the change in program structure should be, it should ensure that a decision is determined with the urgency it deserves.

HPC Inclusion:
The council specifically instructed PAs that HPCs must be included in the conversations around remuneration changes, to which the PA representative responded that they believed we were. This is unfortunately not the case. We have reached out to set up meetings where the HPC group and PAs can discuss potential solutions but have not had any success in doing so. Furthermore, the PAs have not sent any communication to request additional information or data, discuss potential solutions, or included the HPC group in conversation that would help determine a solution. It seems that the PAs intend to make an internal decision and roll it out to HPCs as a top-down solution, as has usually been the case. This type of exclusionary problem solving is exactly why we are in the situation we are in now.

Data analysis:
There have been no conversations around the data HPCs have provided. We have made attempts to discuss the data with the consultants to go through the findings and provide helpful context in order to help them produce unbiased findings for the council, but nobody has responded to those attempts to set up any conversations nor asked for additional clarifying information. In addition, the PAs have not provided the same amount of information. They have not shared the install conversion information they discussed at the last meeting nor have they shared any information that would help more accurately determine the relative costs per savings generated from the different paths available. All the information presented so far has been collected and shared publicly by the HPCs of our own initiative, with no reciprocity from the PAs, and no interest from any related party to use that information to make informed decisions.

Overall:

It is understood that the recent DPU response requires a significant amount of work from all related parties to adjust the plan and comply with their decisions, but that is not an excuse to put HPCs on the backburner since we are dealing with real financial losses the longer this process takes. The overall situation is very simple: the cost to generate vitally important Insulation Installs has increased substantially since the last plan was implemented. The compensation structure for generating those installs needs to increase significantly in order to keep the program going, and HPCs are still the most cost-effective way to do that, even with substantial increases. It should not take months of deliberation to come to that conclusion.