

1 **Massachusetts Energy Efficiency Advisory Council**
2 **Resolution Regarding the 2022-2024 Massachusetts Joint Statewide**
3 **Three-Year Electric and Gas Energy Efficiency Investment Plans**
4

5 October 27, 2021

6 BE IT RESOLVED THAT:

7 Pursuant to G.L. c 25, §21, the Energy Efficiency Advisory Council (Council or EEAC) presents the
8 following comments to the Department of Public Utilities (DPU) regarding the 2022-2024 Massachusetts
9 Joint Statewide Three-Year Electric and Gas Energy Efficiency Investment Plans. The Green
10 Communities Act, as set forth in G.L. c 25, §21, directs the Council to review the draft 2022-2024
11 Massachusetts Joint Statewide Three-Year Electric and Gas Energy Efficiency Plans (Statewide Plans)
12 submitted to the Council on April 30th by the Program Administrators (PAs) (April Draft Plan). The PAs
13 are then directed to incorporate any changes or revisions to reflect the input of the Council into their
14 submittal of the Statewide Plans to the DPU on or before October 31, 2021.

15 On March 26, 2021, Governor Charlie Baker signed into law *An Act Creating a Next-Generation*
16 *Roadmap For Massachusetts Climate Policy* (the Climate Act) which codified the Baker-Polito
17 Administration's commitment to achieve Net Zero emissions by 2050 and furthers the Commonwealth's
18 nation-leading efforts to combat climate change and protect vulnerable communities. The Climate Act
19 made significant changes to the Green Communities Act and the Global Warming Solutions Act (the
20 GWSA) including requiring the Secretary of Energy and Environmental Affairs (EEA) to set a goal,
21 expressed in tons of carbon dioxide equivalent, every three years for the succeeding Statewide Plans'
22 necessary contribution to meeting each statewide greenhouse gas (GHG) limit and sublimit adopted under
23 the GWSA. On July 15, 2021, EEA Secretary Kathleen Theoharides submitted a letter to the PAs
24 detailing the GHG reduction goals for the 2022-2024 Statewide Plans.¹ Since these new GHG reduction
25 goals were issued after the April Draft Plan, the PAs revised the Statewide Plans to meet these new GHG
26 reduction goals (October Draft Plan).

27 In developing its input on the 2022-2024 Statewide Plans, the Council undertook a comprehensive
28 stakeholder engagement process, starting with six planning workshops as well as six public comment
29 sessions between October 7, 2020 and January 20, 2021. The planning workshops featured in-depth
30 discussion between the Council, PAs and the EEAC Consultants. In addition, the public comment
31 sessions highlighted stakeholder priorities for the 2022-2024 Statewide Plans. The Council also
32 established an Equity Working Group in early 2020, specifically to address issues of equity in the
33 delivery of energy efficiency programs. The workshops and public comment sessions informed the
34 Council's March 24, 2021 resolution² that set forth Council priorities and recommendations for the
35 Statewide Plans, with the highest priorities being electrification and GHG reductions, equity, and
36 workforce development. Lastly, three additional public comment sessions were held in June 2021 to
37 receive stakeholder feedback on the April Draft Plan.

38 The Council detailed its comments, including the Equity Working Group recommendations, on the April
39 Draft Plan in its July 28, 2021 EEAC resolution to the PAs.³ The Council was pleased the PAs adopted
40 electrification, equity, and workforce development as key priorities and themes of the narrative. However,
41 the Council noted, in part, that the April Draft Plan lacked detail on program design and evidence of the
42 Council priorities reflected in the proposed budgets, savings goals and benefit cost models. With regard to

¹ <https://ma-eeac.org/wp-content/uploads/2021-07-15-Mass-Save-GHG-Goal.pdf>

² https://ma-eeac.org/wp-content/uploads/FINAL-EEAC-Priorities-Resolution_Adopted-3.24.2021.pdf

³ https://ma-eeac.org/wp-content/uploads/FINAL-July-Resolution_Adopted-7.28.21.pdf

43 equity, the Council noted that the April Draft Plan lacked necessary programmatic details and specific
44 budget commitments.⁴

45 On September 17, 2021 the PAs submitted updated data tables and a presentation of program
46 enhancements that reflected changes to the April Draft Plan, and on October 6, 2021, the PAs submitted
47 an updated Plan narrative (collectively, October Draft Plan). The Council offers its comments based on
48 the October Draft Plan, with the expectation that the PAs will file final Statewide Plans with DPU on
49 November 1, 2021 that are fully consistent with the content of these materials provided to the Council
50 throughout October:

- 51 1. Draft joint statewide plans dated October 6, 2021;
- 52 2. Term Sheet dated October 25, 2021; and
- 53 3. Revised data tables dated October 25, 2021

54

55 **Overall Plan Comments**

56 The Council recognizes and appreciates the significant contributions of PA staff, the Council consultant
57 team, the Equity Working Group, Councilors, the Low-Income Energy Affordability Network (LEAN)
58 and stakeholders in preparing the energy efficiency plans. The development of the 2022-2024 Statewide
59 Plans represents a transformation of energy efficiency programs in Massachusetts to better align with the
60 Commonwealth's greenhouse gas and environmental justice goals. The Council commends the
61 prioritization of electrification, deeper building retrofits, increased weatherization goals and incentives,
62 workforce development and enhancing support for historically underserved communities and customers.
63 The Council also commends the PAs on their efforts between the April Draft and the October Draft Plan
64 to reorient and expand the Plans to achieve EEA Secretary Theoharides' GHG emissions reduction goals
65 for the 2022-2024 term. The development of the 2022-2024 Statewide Plans reflects significant
66 collaboration across PAs and among members of the Council, DOER, the AGO, and stakeholders. These
67 comments of the Council are based on its review of the October Draft Plan:

- 68 • The Council supports the proposed \$3.94 Billion investment to deliver \$13 Billion in benefits to
69 ratepayers.
- 70 • The Council supports the greenhouse gas and energy savings goals in alignment with the Term
71 Sheet. This includes achieving the aggregate electric and gas combined goals, with at least 94%
72 of the Secretary's electric goal. The remaining 6% of the electric goal will be met through
73 overachieving on the gas goal and, specifically through conversions of natural gas equipment to
74 highly efficient electric equipment.
- 75 • The Council commends the PAs on their collaboration with the EWG throughout the planning
76 process and supports the equity goals set forth in the October Draft Plan as a first step in the
77 equitable delivery of energy efficiency in the Commonwealth. The Council looks forward to
78 regular updates and reporting on the PA commitments to increase investments in EJ
79 municipalities and more equitably serve historically underserved populations. The Council
80 expects the PAs to continue to engage with the EWG during development of new initiatives and
81 design and implementation of EWG recommendations as well as Plan implementation, with a
82 focus in 2022 on strategic and innovative renter/landlord engagement and moderate-income
83 program design.
- 84 • The Council acknowledges the PAs proposed increase in workforce development investments for
85 the 2022-2024 Plan term and emphasizes the importance of equitably growing the workforce to
86 achieve the Commonwealth's climate goals, continuing to increase the PAs' equitable workforce
87 development investments, and coordinating with the Massachusetts Clean Energy Center to
88 maximize our collective interests.

⁴ https://ma-eeac.org/wp-content/uploads/FINAL-July-Resolution_Adopted-7.28.21.pdf

- 89 • Additional, non-ratepayer funding will be an essential tool in 2022-2024 to reduce or offset costs
90 to electric and gas customers. The Council agrees to support the PAs in identifying and seeking
91 out those additional funding sources.
- 92 • The Council expects that the individual PA Plans will remain fully consistent with the October
93 Draft Plan.
- 94 • The Council recognizes that performance incentives are an integral part of the planning and
95 implementation of the energy efficiency programs. The Council accepts, consistent with the
96 DPU's Energy Efficiency Guidelines at Section 3.6, the performance incentives set forth in the
97 October Draft Plan. The new performance incentive mechanism includes components and
98 individual thresholds for core energy efficiency, energy efficiency and electrification for EJ
99 municipalities, and electrification. The Council also accepts the removal of the value component
100 in the 2022-2024 Plan Term to ensure the PI mechanism is fully aligned with the EEAC's equity,
101 electrification, and workforce development priorities.
- 102 • The Council, Council consultants, and PAs will continue to work collaboratively and
103 transparently throughout the three-year roll-out of the individual Plans, in accordance with the
104 GCA, through continued quarterly reports, monthly data dashboards, and specific updates at
105 Council meetings that focus on topics requested by the Council. We expect the PAs to
106 consistently engage with the Council and its consultants proactively to analyze new lessons
107 learned (especially around equity, workforce development and electrification), develop
108 adjustments, and put them into practice. The Council also looks forward to engagement and
109 updates on the newly formed Commercial and Industrial Customer Working Group starting in
110 2022.

111 **Council Comment on Priorities**

112 In its March Resolution, the Council set specific priorities for the 2022-2024 Plan that support continued
113 robust energy efficiency and GHG mitigation, while ensuring that goals are met equitably and cost-
114 effectively.⁵ The Council urged the PAs to develop a plan that includes aggressive GHG emissions
115 reductions to support the Commonwealth's goals, through a strong focus on weatherization and
116 electrification, with significant expansion of heat pump targets, and investments in market transformation
117 and workforce development. The Council also indicated that the Final Plan should include a strong
118 commitment and investment in equitable program delivery by increasing participation from
119 renters/landlords, moderate-income customers, language-isolated customers, Environmental Justice (EJ)
120 municipalities, and small businesses. The Council requested that the Final Plans, both narrative and data,
121 support these three foundational principles of GHG emissions reductions, equitable program delivery, and
122 workforce development. The Council provides its comments on these priorities below.

123 **Greenhouse Gas Emissions Reductions**

124 Throughout the 2022-2024 Three-Year planning process, including ambitious GHG emissions reductions
125 has been a top priority of the Council. Specifically, the Council urged the PAs to align the Plan with the
126 Commonwealth's GHG reduction goals through a strong focus on weatherization and electrification, with
127 a significant expansion of the heat pump targets, focus on deep retrofits, reduction in incentives for fossil
128 fuel equipment, and an investment in market transformation and workforce development. This priority
129 was underscored by the Climate Act and formalized by Secretary Theoharides' letter setting GHG
130 reduction goals for the 2022-2024 Plan.

131 The Council acknowledges and appreciates the PAs' efforts to meet the Secretary's GHG goal to ensure
132 2022-2024 investments are aligned with the Commonwealth's GHG goals. The Council also recognizes
133 the increased commitment to electrification and weatherization in the October Draft Plan. Based on the
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⁵ https://ma-eeac.org/wp-content/uploads/FINAL-EEAC-Priorities-Resolution_Adopted-3.24.2021.pdf

- 137 October data, and in alignment with the Term Sheet, the Council supports the PAs GHG goals and
138 commends the following commitments:
- 139 • Commitment to heat pump installations with:
 - 140 ○ Electric Plan: Approximately 54,000 planned in the Residential sector, 6,650 in the
141 Income Eligible sector and 34.1 million square feet in Commercial & Industrial (C&I)
142 sector.
 - 143 ○ Gas Plan: Approximately 1,700 planned in the residential sector and 18.5 million square
144 feet in the C&I sector.
 - 145 • Increase commitment to weatherization.
 - 146 ○ Residential Electric: \$257,216,800
 - 147 ○ Income Eligible Electric: \$39,816,337
 - 148 ○ Residential Gas: \$275,596,773
 - 149 ○ Income Eligible Gas: \$66,684,898
 - 150 • Addition of an affordable housing multi-family decarbonization retrofit program and C&I deep
151 energy retrofit offering to be launched in 2022.
 - 152 • Commitment to adding all-electric new construction offerings in both residential and C&I sectors.

154 *Equity*

155 Since the early stages of the planning process for the 2019-2021 term, it has been a priority of the Council
156 to increase participation by, and savings from, historically underserved populations. The Council chose
157 equity as a priority in an effort to respond to stakeholders and results of the non-participant study
158 completed in 2019. Two non-participant studies completed in 2020 analyzed existing data and collected
159 new data to evaluate participation levels and potential unaddressed barriers for residential customers.⁶
160 This effort was part of a special focus on renters, moderate income, and English-isolated customers. The
161 studies confirmed that certain identifiable populations participate at lower rates compared to other
162 populations. For the last year and a half, the EWG has worked to receive feedback and develop solutions
163 to the unique barriers that hinder moderate-income customers, renters and landlords, English-isolated
164 populations, and small businesses from fully participating in programs and accessing all program
165 benefits.⁷

166
167 Through its efforts, the EWG has worked collaboratively with the PAs and stakeholders representing
168 Environmental Justice (EJ) communities to develop comprehensive recommendations that seek to address
169 lower than average participation from these key customer groups. The EWG commends the progress that
170 the PAs have made since their April Draft Plan to include more of these recommendations. The EWG
171 would also like to recognize the effort the PAs have made to provide more detailed commitments
172 regarding the equity-specific investments they will be making over the next three years. Undergirding
173 these investments is the creation of a new performance incentive mechanism that focuses on accruing
174 greater program benefits in 38 cities and towns which have higher numbers of EJ populations and lower
175 energy efficiency program participation. With this new performance incentive mechanism, the PAs will
176 be incentivized to significantly increase investments in EJ municipalities and underserved populations.
177 The EWG expects investments in EJ municipalities to increase at a minimum 30% over current baselines.
178 The EWG agrees that greater benefits delivered to these communities and residents are necessary not only
179 to better reach those who have been historically underserved, but also to address inequities accrued over
180 many years. To track progress towards these goals and as further described below, the EWG has
181 collaborated with the PAs to develop equity-specific targets, with metrics for each of the underserved

⁶ https://ma-eeac.org/wp-content/uploads/MA19R04-A-NP-Nonpart-MarketBarriersStudy_Final.pdf and https://ma-eeac.org/wp-content/uploads/MA19X06-B-RESNONPART_Report_FINAL_v20200228.pdf

⁷ Separately a C&I non-participant study was conducted in 2020, which identified small businesses and micro-businesses as participating at lower than average rates compared to larger C&I customers (https://ma-eeac.org/wp-content/uploads/Final-MA19X11_B_SBNONPART-Report-20200415-1.pdf).

182 populations in addition to specific metrics focused on EJ Municipalities,⁸ community partnerships, and
183 workforce development.

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185 While the EWG supports many of the changes to date, the EWG expects that the PAs will continue to
186 work cooperatively and proactively with the EWG throughout the implementation of the plan.

- 187 • The Council supports the PAs’ commitment to community partnerships, including \$6 million
188 dedicated to the Municipal and Community Partnerships program through which the PAs commit
189 to partner with at least 20 qualified Community-Based Organization (“CBO”) teams across at
190 least 30 municipalities to harness their expertise and knowledge of their communities. The
191 Council expects the PAs to engage with community organizations and community leaders in the
192 program design to ensure programs meet community-specific needs.
 - 193 ○ The Council appreciates the PAs additional commitment of \$1.5 million new “Open
194 Doors” offering to work with CBOs on residential education efforts for school-age
195 children. However, the Council and EWG expect these partnerships to be additional to
196 the partnership commitment above.
- 197 • The Council supports the PAs’ commitment to workforce development including their
198 comprehensive Clean Energy Pathways Program, designed to train and deploy a more diverse
199 workforce. While this effort is impressive, the Council would like to see this program focus on
200 the future of the industry, by training candidates primarily for electrification roles and emphasize
201 job retention and placement in the internship program, especially for people historically
202 underrepresented in the industry. The Council would also like to see a significant increase in
203 minority and women owned contractors in Mass Save programming. The Council recognizes that
204 the PAs will be collaborating extensively with the Massachusetts Clean Energy Center
205 (MassCEC) on other workforce development efforts and expects that the PAs will commit to full
206 transparency on these efforts including regular opportunities for input and updates to the Council.
- 207 • The Council expects a more robust and detailed strategy for serving renters and landlords, as well
208 as significantly higher levels of investment. The October Draft Plan lacks the detail and specific,
209 new strategies that will be deployed to engage landlords and retrofit rental units. The Council
210 appreciates the PAs’ commitment to develop a more detailed strategy for serving rental units.
211 Furthermore, the Council expects the PAs to coordinate and collaborate with the EWG and pilot,
212 starting in 2022, multiple renter-specific recommendations provided earlier this year by the EWG
213 and its stakeholders including, but not limited to, referrals, openers and closers, and other
214 innovative ideas.
- 215 • The Council commends the PAs’ \$136 million investment in and enhanced incentives for
216 moderate income customers.⁹ To ensure these ambitious increases in program participation are
217 met, the Council expects the PAs to work earnestly to reduce barriers to participation for
218 moderate-income customers.
 - 219 ○ More specifically the Council insists that the PAs commit to streamlining and simplifying
220 income verification. The PAs should actively and transparently involve the EWG in the
221 development and implementation of this process.
 - 222 ○ The Council expects the PAs to coordinate with the EWG during program delivery
223 design and implementation including sharing a draft program design of the

⁸ Communities selected for EJ Initiatives and the Equity Component of the Performance Incentive meet the following criteria. At least one census block group meets the income criteria and at least one additional criterion (e.g., minority or English isolation); Greater than 33% of the population resides in an environmental justice block group; Consumption weighted location participation rate from the Residential Non-Participant Customer Profile Study does not exceed 32%; Median household income is less than 100% of state median household income; and Municipalities not served by PAs for either electric or gas are excluded.

⁹ The PAs note that there will be some overlap of moderate-income, renter and landlord, and pre-weatherization incentives.

224 comprehensive delivery model and implementing as soon as possible and no later than
225 the end of Q2 2022. In addition, the Council expects the comprehensive delivery model
226 to be in place prior to imposing the weatherization requirement for moderate-income
227 customers to access enhanced heating incentives. Simplified access to the new moderate-
228 income offerings is needed not only to address equity issues, but to also meet the
229 ambitious goals of the Plan.

- 230 ○ A comprehensive delivery model can ensure that moderate-income customers are not
231 burdened with the additional responsibility of coordinating with multiple contractors to
232 complete weatherization prior to HVAC installation, which is a requirement not placed
233 on other residential customers. The EWG recognizes the benefits of a comprehensive
234 delivery model and urges the PAs to develop one, so that customers can benefit from
235 appropriately sized HVAC equipment.
- 236 ○ Moreover, the Council requests that the PAs continue to work with the EWG to refine
237 incentives for HVAC equipment. The moderate-income incentives should be designed to
238 provide a greater upfront economic advantage to advance electrification over fossil fuel
239 equipment.
- 240 ● The Council supports the PAs’ commitment to addressing customer language barriers by
241 developing a Language Access Plan as expediently as possible. The Council encourages the PAs’
242 to continue developing language access supports for language-isolated populations that do not
243 speak the most commonly spoken non-English languages in Massachusetts—beyond Spanish,
244 Portuguese, and Mandarin.
- 245 ● The Council commends the PAs’ commitment to 2,100 small business weatherization projects
246 throughout the Plan term. The Council requests that the PAs continue to work with the EWG on
247 implementation details to support streamlined participation by small businesses. The Council also
248 supports the PAs’ targeted efforts to host Main Streets events in Environmental Justice
249 neighborhoods.

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252 ***Workforce Development***

253 The Council recognizes the need for workforce development efforts to focus on cultivating a diverse and
254 highly skilled workforce to meet aggressive energy savings goals in the upcoming three-year term. The
255 PAs’ initiatives are primarily focused on recruiting and training diverse new entrants to the field, while
256 also facilitating upskilling opportunities for existing workers. In addition to their own initiatives through
257 Mass Save®, the PAs will allocate an annual investment of \$12 million to the Massachusetts Clean
258 Energy Center (MassCEC) for their own workforce development initiatives as required by the Climate
259 Act. More specifically the Council supports the PA’s commitment to the following:

- 260 ● Developing the Clean Energy Pathways (CEP) internship program which focuses on attracting,
261 training, and placing in clean energy jobs young adults who have been historically
262 underrepresented in the energy efficiency field including women, people of color, multi-lingual
263 speakers, and residents residing in EJ neighborhoods.
- 264 ● Diversifying the PA pool of business partners through commitments to increasing contracting and
265 subcontracting opportunities with minority-owned businesses, women-owned businesses, and
266 veteran-owned businesses (collectively referred to as diverse business enterprises).
- 267 ● Building electrification market capacity by developing heat pump specific trainings for HVAC
268 contractors and recruiting contractors to participate in a heat pump installer network.
- 269 ● Ongoing collaboration with MassCEC on workforce development efforts.

- 270 • Funding efforts that grow the field of qualified building automation system technicians and
271 commissioning specialists, and train customer building operators to ensure that investments made
272 in controls technologies in large, complex buildings deliver on their full savings potential.

273 To achieve the transformative climate and equity goals in the 2022-2024 Plan, the Council requests that
274 the PAs commit to the following over the coming term:

- 275 • Emphasize retention through ongoing support and mentorship and track retention of participating
276 individuals and contractors in the CEP program.
- 277 • Evaluate the performance of the CEP internship program and use the findings to help scale the
278 program over time to train and place more individuals through the program.
- 279 • Continue to establish robust workforce development efforts, with commensurate investment,
280 outside of the CEP internship program.
- 281 • Provide details regarding ongoing collaboration efforts and strategies with MassCEC to avoid
282 gaps and overlap in implementation of workforce programs.
- 283 • Grow commercial weatherization in the turnkey small business program, by providing contractor
284 training for qualified residential contractors to work on C&I buildings.
- 285 • Increase funding for Income-Eligible Sector-specific trainings to a level that is proportional to the
286 program investment in the Income-Eligible Sector.
- 287 • Set targets, measure progress, and evaluate the success of cross-sector workforce priorities.

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290 **Topic Areas**

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292 ***Residential Sector***

293 The October Draft Plan shows significant progress from April Draft Plan in addressing the Council’s
294 priorities, particularly in emphasizing electrification and weatherization in the residential sector and will
295 help achieve the Commonwealth’s GHG goals. To ensure that these ambitious and important goals are
296 met, the Council requests that the PAs focus on the following programmatic and implementation
297 strategies over the 2022-2024 Term:

- 298 • Develop a framework for successful achievement of the heat pump numerical goals, in the form
299 of a comprehensive market transformation plan that includes ground-source, cold-climate air
300 source and water heating heat pumps, customer education and support, near- and long-term
301 planning to convert from fossil fuel systems, encompassing all levels of the supply chain and
302 focusing strongly on education and customer cost management.
- 303 • As part of the expansion in weatherization, coordinate with contractors and update the Council on
304 insulation contractor pricing in light of variations in materials and labor costs.
- 305 • Implement additional methods for co-delivery of weatherization and heat pumps, including
306 creating a whole-home, performance-based retrofit program modeled after DOER’s Home MVP
307 pilot, that goes beyond enhanced incentives to encourage an integrated program to deliver
308 weatherization and heat pumps for space and water heating, as well as supporting customer entry
309 through both the Residential Coordinated Delivery and Retail Initiatives.
- 310 • Integrate home energy scorecards into home energy assessments and effectively leverage them to
311 inform customers about potential impacts of fuel conversions.

- 312 • Implement a fully formed all-electric new construction offer for the 1-4 unit market segment,
313 with aggressive unit goals to capture higher share of new homes that would otherwise use fossil
314 fuels.
- 315 • Build on the PAs’ success in 2019-2021 and maintain a robust incentive, technical support and
316 training infrastructure to promote the continued growth of Passivehouse in multi-family new
317 construction.
- 318 • Include the Cape Light Compact’s enhanced incentives for income-eligible and moderate-income
319 new construction, recognizing that the incentives will support equitable service to low-and
320 moderate-income new construction projects on the Cape & Vineyard and promote strategic
321 electrification in new construction for these customers and serve to reduce greenhouse gas
322 emissions.

323 ***Income Eligible***

324 The Council strongly supports improvements that have been made in several key areas since the April
325 Draft Plan, including: 1) increases in the heat pump budget and installation goals for heat pumps (for both
326 space and water heating), wi-fi thermostats, and envelope measures; 2) reduction in the lighting budget
327 and installations; and 3) the PAs and LEAN commitments to developing a customized, flexible offering
328 for Affordable Multi-Family Deep-Energy Retrofits. The Council supports the Cape and Vineyard
329 Electrification Offering (CVEO) recognizing its innovate approach to serving low- and moderate-income
330 residents with a package of clean energy technologies to reduce GHG emissions through electrification.
331 The Council expects the Final Plan to ensure equitable decarbonization such that low-income residents
332 are not left behind, but rather supported, in the transition to electrification. Over the 2022-2024 term, the
333 Council expects the PAs and LEAN to prioritize electrification over fossil fuel systems and to limit
334 delivered fuel heating systems, commit to a timeline for phase out lighting incentives, support uptake of
335 active demand management measures in addition to wi-fi thermostats, and improve reporting to provide
336 greater transparency around electrification, comprehensiveness, and equity. More specifically, the
337 Council expects the PAs and LEAN to:

- 338 • Prioritize installation of heat pumps over fossil fuel HVAC and hot water systems, and to
339 develop and implement supporting strategies, including for heat pump water heaters. For
340 example, heat pump water heater installation guidelines should identify opportunities and achieve
341 successful outcomes, provide enhanced workforce training, and prepare and launch customer
342 education strategies.
- 343 • Prioritize installation of envelope measures in the gas program and reduce reliance on achieving
344 savings through installation of gas HVAC equipment.
- 345 • Integrate active demand strategies into the Income Eligible program. Increase participation of
346 income eligible customers in active demand offerings including increased battery storage and EV
347 charging.
- 348 • Provide more detail to the Council on the enhanced strategy for serving small multi-family
349 buildings, including “naturally occurring” low-income housing.
- 350 • Provide the Council with details and implement a mixed income protocol for multi-unit buildings,
351 as well as other strategies to ensure that customers living in small multifamily buildings are
352 equally and comprehensively served.
- 353 • Include a commitment to a new KPI that improves transparency by providing information on
354 comprehensiveness of service broken out by existing fuel and by CAP agency such that progress
355 can be easily monitored and to facilitate program improvements, such as consistent service across
356 CAP agency territories.
- 357 • Develop and implement a statewide computerized audit tool by the third quarter of 2022 that can
358 provide regular, timely, and consistent information to support identification of best practices and

359 needed continuous improvement as well as reporting to the Council and providing data for
360 EM&V.

361 ***Commercial and Industrial***

362 The Council supports the increased budget and GHG emissions reductions for the C&I sector from the
363 April Draft Plan. The Council commends the inclusion of an outline for a deep energy retrofit program
364 and commitment to launch in 2022. The Council emphasizes the need for a C&I stakeholder and customer
365 working group as the commercial programs transition and expand and is pleased to see commitment by
366 DOER and the PAs to co-lead a C&I stakeholder working group beginning in 2022. The Council looks
367 forward to regular updates on progress of the working group, feedback received, and solutions
368 implemented. The Council appreciates the reduction in the lighting budget since the April draft plan and
369 emphasizes the importance of phasing out support for these measures in 2022-2024.

370
371 The Council expects to continue working with the PAs in the following areas of the C&I programs:

- 372 • Coordinate closely with the Council and the C&I Working Group to provide greater detail on
373 implementation including strategy, budgets and incentives to achieve energy efficiency and
374 electrification goals, and opportunities to achieve goals at a lower cost. The Council expects
375 DOER and the PAs to consult with the Working Group once established to determine if meeting
376 more than once per quarter will be needed to ensure productive outcomes.
- 377 • Increase savings delivered through electric HVAC efficiency including retro-commissioning and
378 integrated controls as these are effective measures that result in significant savings for existing
379 buildings.
- 380 • Reduce fossil-fuel equipment incentives.
- 381 • Implement dedicated strategies for municipal building participation in deep energy retrofit
382 offering with an appropriate setting of a baseline since these buildings have unique uses and are
383 frequently repurposed.
- 384 • Include the Cape Light Compact's ("Compact") C&I enhancements of up to 100% for target
385 markets such as municipalities, non-profits, renters and small businesses (including
386 microbusinesses), recognizing that: (a) the Compact has offered these enhanced incentives as part
387 of its past program design as a municipal aggregator, which have been deemed reasonable and
388 appropriate by the DPU for the 2019-2021 Plan; and (b) a statewide evaluation is nearing
389 completion to provide additional analysis as to whether these incentive levels continue to be
390 warranted and whether they should be more widely adopted.

391
392 ***Active Demand Management***

393 The Council supports continuation of the successful Active Demand Management (ADM) programs while
394 increasing overall demand savings. The Council supports continued increase of storage incentives,
395 increased participation of direct load control programs, and is pleased to see the commitment to a
396 statewide offering for electric vehicle charging in Connected Solutions. The Council also expects the
397 following:

- 398 • Increase participation and reporting of low income ADM offerings.
 - 399 • Co-deliver ADM with traditional energy efficiency programs to increase demand savings.
 - 400 • Increase participation in direct load control and load curtailment offerings.
 - 401 • The Council expects current electric-vehicle charging offerings to continue until the programs
402 shift to statewide offerings in 2022.
 - 403 • PAs should work with ADM vendors on ongoing program changes, soliciting feedback from
404 industry prior to implementation changes.
 - 405 • PAs should significantly increase enrollment of storage including continuation of the guaranteed
406 5-year performance term.
- 407

408 **Reporting**

409 Transparency and reporting are critical components to assess progress toward the transformational
410 objectives of the 2022-2024 Plan. The Council supports and appreciates the reporting commitments in the
411 Term Sheet, including reporting on Equity Targets and Budgets (Term Sheet Attachments B and C) and
412 Bi-annual reporting on the performance incentive components. The Council looks forward to quarterly
413 updates on electrification market transformation including heat pump installations by sector, existing fuel
414 type, and installed system type and may seek additional reporting frequency and heat pump performance
415 metrics as necessary to ensure alignment with the goals of the Plan. The Council looks forward to
416 continuing to receive quarterly reporting on Key Performance Indicators (“KPIs”) and bi-annual reporting
417 metrics. Additionally, the Council supports and looks forward to coordinating on development of an
418 income-eligible specific KPI to begin reporting in Q1 2022.

419
420 Throughout the planning process, the importance of data transparency has been discussed by the Council
421 and stakeholders. The Council looks forward to coordinating with the PAs to track achievement
422 throughout the 2022-2024 Plan term and request regular updates on multi-family savings, participation,
423 and spending, and regular updates on new initiatives such as the residential and commercial deep energy
424 retrofit offerings.

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426 **Council Decision on Draft Plan**

427 Based on its review described above, the Energy Efficiency Advisory Council respectfully requests the
428 Department of Public Utilities approve the 2022-2024 Massachusetts Joint Statewide Three-Year Electric
429 and Gas Energy Efficiency Investment Plans and the individual plans of the Program Administrators, to
430 the degree that the final filed plans are fully consistent with the Statewide Plans and to the degree that the
431 final filed plans are fully consistent with the information available to the Council at this time. We further
432 request that the DPU embrace and reflect the comments above.