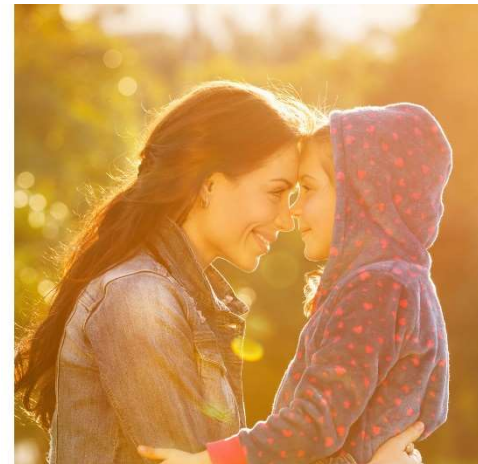


# Greater Lawrence Update

Elizabeth Cellucci  
Director, Energy Efficiency  
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Columbia Gas<sup>®</sup>  
of Massachusetts

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## Background

- **DPU approved the Greater Lawrence (GL) special offer of no-cost insulation and other enhanced incentives in the Three Year Plan, with no additional budget earmarked for GL;**
- **The special offer is scheduled to end December 31, 2019;**
- **CMA received requests from elected officials and a community group to extend the special offer through 2020;**
- **CMA intends to file a MTM seeking approval from the DPU to extend the special offer;**
- **CMA's proposal to extend the special offer in Andover, Lawrence and North Andover will likely result in continued strong participation and additional budget overspending.**

## **CMA is overspending in the Residential Existing Building Program**

As of November, CMA has spent 125% of the 2019 residential existing buildings program budget.

**The overspending is not entirely a result of the Greater Lawrence special offer.**

- Residential Coordinated Delivery (RCD) \$6M over budget driven by significant increases in Participant Incentive spending
- Residential Conservation Services (RCS) Core Initiatives \$1.1M over budget driven by significantly higher than forecasted Home Energy Assessments

# Completed Installations through November 2019

	November		Post-Incident Total			Participants, CY 2017
	Participants	Incentives	Participants	Incentives	Therm Savings	
Residential	205	\$1,200,485	2290	\$ 7,443,927	453,815	757
Low Income	18	\$ 129,863	228	\$ 1,512,902	71,620	214
C&I (Small Business)	3	\$ 81,870	105	\$ 382,741	47,409	0
C&I (Custom)	0	\$ -	24	\$ 429,292	210,928	16
<b>Total Custom</b>	<b>226</b>	<b>\$1,412,219</b>	<b>2647</b>	<b>\$ 9,768,863</b>	<b>783,772</b>	<b>987</b>
Rebates	0	\$ -	1056	\$ 1,124,500	128,974	547
<b>Total</b>	<b>226</b>	<b>\$1,412,219</b>	<b>3703</b>	<b>\$ 10,893,363</b>	<b>912,745</b>	<b>1,534</b>

## Residential Post-Incident through October 31, 2019

Residential		Home Energy Assessment	Jobs Completed	Therm Savings	Incentives	Therms /Job	Cost /Job	Cost /Therm	Number of Heating Accounts	2017 Jobs Completed
Andover	Non Low-income	1205	997	189,914	\$2,802,879	190	\$2,811	\$14.76	7,629	316
	Low Income	21	9	1,998	\$46,529	222	\$5,170	\$23.29	198	4
	<b>Total Residential</b>	<b>1226</b>	<b>1006</b>	<b>191,912</b>	<b>\$2,849,408</b>	<b>191</b>	<b>\$2,832</b>	<b>\$14.85</b>	<b>7,827</b>	<b>320</b>
N. Andover	Non Low-income	915	608	129,476	\$2,090,782	213	\$3,439	\$16.15	5,269	253
	Low Income	12	8	2,716	\$44,102	340	\$5,513	\$16.24	283	5
	<b>Total Residential</b>	<b>927</b>	<b>616</b>	<b>132,192</b>	<b>\$2,134,884</b>	<b>215</b>	<b>\$3,466</b>	<b>\$16.15</b>	<b>5,552</b>	<b>258</b>
Lawrence	Non Low-income	926	480	112,987	\$1,349,781	235	\$2,812	\$11.95	12,271	188
	Low Income	166	191	58,116	\$1,645,156	304	\$8,613	\$28.31	6,451	205
	<b>Total Residential</b>	<b>1092</b>	<b>671</b>	<b>171,103</b>	<b>\$2,994,937</b>	<b>255</b>	<b>\$4,463</b>	<b>\$17.50</b>	<b>18,722</b>	<b>393</b>
<b>Overall Residential Total</b>		<b>3245</b>	<b>2293</b>	<b>495,206</b>	<b>\$7,979,229</b>	<b>216</b>	<b>\$3,480</b>	<b>\$16.11</b>	<b>32,101</b>	<b>971</b>

(all jobs low income and non-low income, including weatherization and instant savings measures)

## Home Energy Assessments and Weatherization Non-Low Income through October 2019

Town	Home Energy Assessment	Jobs Completed	Residential Market Rate Heating Accounts	Participation Rate (jobs completed as % of HEAs)	Participation Rate (jobs completed as % of customers)
Andover	1205	997	7,629	87%	13%
North Andover	915	608	5,269	66%	12%
Lawrence	926	480	12,271	51%	4%

## **Additional Weatherization Jobs for Residential Non-Low Income Customers (through November 2019)**

- **On average, 1.7% of CMA residential heating customers received weatherization services in 2019.**
- **4.1% of Greater Lawrence residential heating customers received weatherization services in 2019.**
- **CMA estimates there were about 634 more residential market rate weatherization jobs because of the special offer.**
- **Average cost of a single family market rate residential job**
  - CMA territory is about \$1,780 (excluding the Greater Lawrence).
  - Greater Lawrence is about \$2,293

## Budget Impact No-Cost Weatherization Offer to Residential Non-Low Income Customers (through November 2019)

One Simple Way to Look At

<b>Total cost insulation in Greater Lawrence</b>	<b>\$ 4,246,623</b>
Cost without 100% offer	\$ 3,184,967
Additional incentive spending	\$ 1,061,656



## Budget Impact No-Cost Weatherization Offer to Residential Non-Low Income Customers (through November 2019)

Another Way to Look At It

Jobs	% of incentive	Average cost	Budget Impact
453	25	Cost of insulation only	\$ 174,029
653	100	2293*	\$1,453,892
			<b>\$1,627,918</b>

\* Includes insulation, air sealing, instant savings measures

## Closing

- **Today's focus was on Single family Non-Low Income, not Low Income or Business Customers**
- **Incentive spending for all customers will exceed \$11M by year end**
- **Lawrence will receive the most incentive dollars, but also has a higher customer count and many more low income customers**
- **Andover had more HEAs and weatherization completions than the other two towns**
- **Lawrence was selected as a Municipal Partner, to launch in 2020**
- **The budget impact is estimated and could be calculated a few different ways**
- **CMA's proposal to extend the special offer in Andover, Lawrence and North Andover, if approved, will likely result in continued strong participation in all three towns and additional budget overspending.**