

HISTORY OF MODERATE INCOME AT EWG

Equity Working Group

► February 13, 2023 **DRAFT 2.8**

DISCUSSION QUESTIONS FOR 8.4.2020 EWG MEETING

- ▶ **Eligibility**—What customers should be eligible for enhanced incentives?
Currently 60-80% SMI
- ▶ **Qualification for services**—How do customers currently qualify, and could a different method increase participation? What are those different methods and what are the pros and cons?
- ▶ **Marketing and outreach**—What marketing and outreach efforts—including partnerships with municipalities and community groups—are needed to reach eligible customers?
- ▶ **Moderate income offer**—What program offer(s)—including but not limited to enhanced incentives—would be of greatest benefit to this customer group?
- ▶ **Service delivery**—How are moderate income services currently delivered? How could service delivery be improved to increase program participation?
- ▶ **Assessment of progress**—What additional information is needed to assess progress in serving moderate income customers?

FEB 2021 EWG RECS TO EEAC

Improve Qualification Process

1. Revise the income verification process to improve ease of access for moderate-income customers

Enhance Incentives

2. Provide no-cost incentives for weatherization, heating system replacements and appliance replacements to moderate-income customers

- Increase incentives to support electrification
- Prioritize whole-building services to incentivize weatherization at the time of heating system replacement

3. Increase and allocate sufficient funding for pre-weatherization barrier mitigation for moderate-income customers

JULY 2021 EWG COMMENTS ON APRIL DRAFT PLAN

<i>The EWG Supports...</i>	<i>More Information Needed on...</i>	<i>Areas Where Changes Are Needed...</i>
<ul style="list-style-type: none"> • Increase in funding for barrier mitigation and HVAC incentives which can be tracked at the measure-level • Commitment to improving and simplifying the income verification process 	<ul style="list-style-type: none"> • Implementation strategy for serving moderate income customers such as streamlining the income verification process and timeline for implementation • Barrier mitigation budget and tracking and reporting of barriers 	<ul style="list-style-type: none"> • Increase the value of HVAC incentives for heat pumps • Differentiate incentives for electric and fossil fuel heating systems such that heat pumps are competitive up-front • If Wx is included as a requirement for enhanced HVAC incentives, the PAs must develop a coordinated and streamlined delivery model that reduces the number of contacts for a customer

OCT 2021 EEAC RESOLUTION

- The Council commends the PAs' \$136 million investment in and enhanced incentives for moderate income customers.⁹ To ensure these ambitious increases in program participation are met, the Council expects the PAs to work earnestly to reduce barriers to participation for moderate-income customers.
 - More specifically the Council insists that the PAs commit to streamlining and simplifying income verification. The PAs should actively and transparently involve the EWG in the development and implementation of this process.
 - The Council expects the PAs to coordinate with the EWG during program delivery design and implementation including sharing a draft program design of the comprehensive delivery model and implementing as soon as possible and no later than the end of Q2 2022. In addition, the Council expects the comprehensive delivery model to be in place prior to imposing the weatherization requirement for moderate-income customers to access enhanced heating incentives. Simplified access to the new moderate-income offerings is needed not only to address equity issues, but to also meet the ambitious goals of the Plan.

OCT 2021 EEAC RESOLUTION (CONT)

- A comprehensive delivery model can ensure that moderate-income customers are not burdened with the additional responsibility of coordinating with multiple contractors to complete weatherization prior to HVAC installation, which is a requirement not placed on other residential customers. The EWG recognizes the benefits of a comprehensive delivery model and urges the PAs to develop one, so that customers can benefit from appropriately sized HVAC equipment.
- Moreover, the Council requests that the PAs continue to work with the EWG to refine incentives for HVAC equipment. The moderate-income incentives should be designed to provide a greater upfront economic advantage to advance electrification over fossil fuel equipment.