LEAN Updates: DER, Heat Pumps, Statewide Solutions

EEAC, April 2023

DER: Offering Overview

- Deep Energy Retrofit (DER) defined as **retrofit to an income eligible multifamily building projecting a 40% reduction in site Energy Use Intensity (EUI)** compared to existing building conditions
- May include non-standard program EE measures (e.g. exterior wall assemblies not cost effective under the traditional LIMF program)
- May include **electrification of space and water heating** (not required)
- Savings projected through a **required Technical Assistance (TA) study** or energy model (potential funding from program for this requirement)
- Incentive: **$350 per million BTU (MMBTU)** projected savings

31 Projects In Queue, March 2023

13	**DER**	• 2 Validated, Pending Approval: $1,170,050 • 2 Pending Validation: ~$1,800,000
4	**Gas Electrification (no DER)**	• Case by case PA review • Protocol in development
14	**Leads**	• Pending Submission • Discovery/Discussions in process

- No separate, dedicated planned budget, part of the overall program budget
- Recognition that projects (most) will be installed in program year that is different than the one in which the incentive was committed by the program
- Projects range in size from 1 building/8 units to 46 buildings/179 units
- Only complete scope gets incentive, but can be at any stage of funding (can commit first)

DER: Milestones & Key Dates

- November 2022: Introduce PA offering
- December 2022 - January 2023: Discovery & Project Review
- February: Define Requirements, monthly Stakeholder meetings
- March: Draft processes, resources
  - 3/1: PA Alignment meeting
  - 3/13: Technical/Evaluator Deep Dive
- April: Launch! Publish pathway, Info Sessions, First project approval
  - 4/6: Energy Cohort Meeting
  - 4/15: Web page live
- May: Construction begin on first approved project
- June: Final resources specifications, requirements
  - 6/15: TA Study Guidance & Vendor List
  - 6/30: MF Electrification Protocol (approval process for gas to electric only incentives)

Heat Pump Activities

Achieving Strategic Clarity

- Targeting deliverable fuels/electrics
- Leveraging city & town assessor data
- Small Multifamily outreach

Strengthening Lead Vendor Role

- Increase in pipeline reporting
- LV Approval of all HP projects

Deploying adaptive plan

- Partial & full displacement
- Multifamily and single family
- Gas to electric options

Stakeholder Engagement

- Recent Agency HP Roundtable
- Continuous Training
- Educating Vendors
- Educating Customers

Heat Pump - Customer Engagement

- Direct mail to eligible customers with deliverable fuels/electric
- Outreach to newly eligible customers

- Outbound calls to eligible customers with deliverable fuels/electric
- Text message marketing

- Customer education on operations
- Standard Maintenance covered by program
- Full Quality Control
- Post Install Feedback

HP: Achievement, Pipeline

- 2022 Reported Heat Pumps*: 1,329
- 2023 In-Process/Complete Heat Pumps: 1,842
- 2022-2023 Goal In Process/Complete: 88%
- 2022-2024 Goal In Process/Complete: 55%
- 2022-2023 Fuel Breakdown (% across programs)
  - Oil: 25%
  - Electric: 70%
  - Propane/other: 5%

40% increase in first 3 months (approved/complete) of 2023 against ALL reported 2022 installations

*Combined Single Family and Multifamily Programs

**In-Process Includes projects in stages: Assessment, Agreement, Approved, Installation & Complete

Phased projects to launch process, technology changes

We are leveraging existing program structure to implement statewide process improvements in 2 initiatives

1	Statewide Central Referral Intake (SCSC)	• Central clearinghouse for all inbound referrals • Statewide Client Services Center (SCSC) vet, routed to Implementing Agency • Meet 4-6 week Time to Serve (TTS) requirement • LVI support in territories with overflow, exceeding 4-6 weeks • CFP Referrals, MR referrals routed by Lead Vendor
2	Statewide Production Tracking on Monday.com	• Standardize, streamline existing Monday.com boards • Define and capture data consistently statewide • End-to-End project tracking • Real time production status

Statewide Solutions: LEAN Statewide Client Services Center & Lead Vendor Implementation

- Lead Vendors delivering, operating alongside CAPs
- HPC delivering IE EE services

- Third Party referrals routed through SCSC
- Expediting customers to get on discount rate

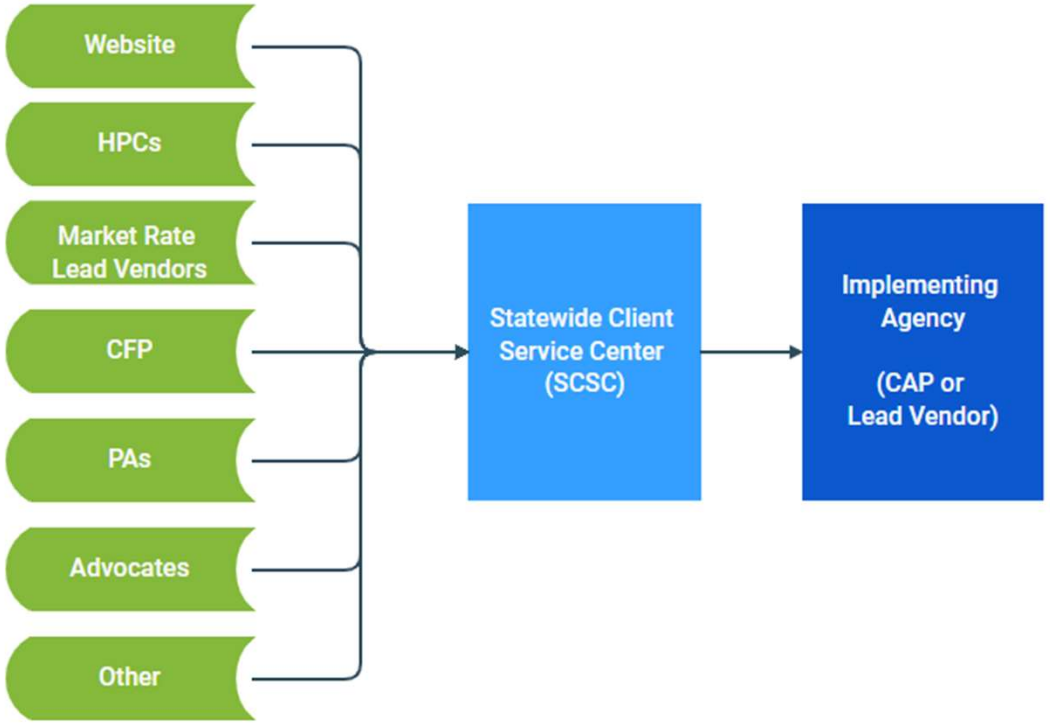
- Regular production status meetings with Lead Vendors, CAPS

- Required data elements
- Requires use of Monday.com for network, customer communication and real time project tracking

- Leveraging Market-Rate Vendors
- Expanding capacity to hit Equi Targets
- Leverage CFP to achieve electrification goals

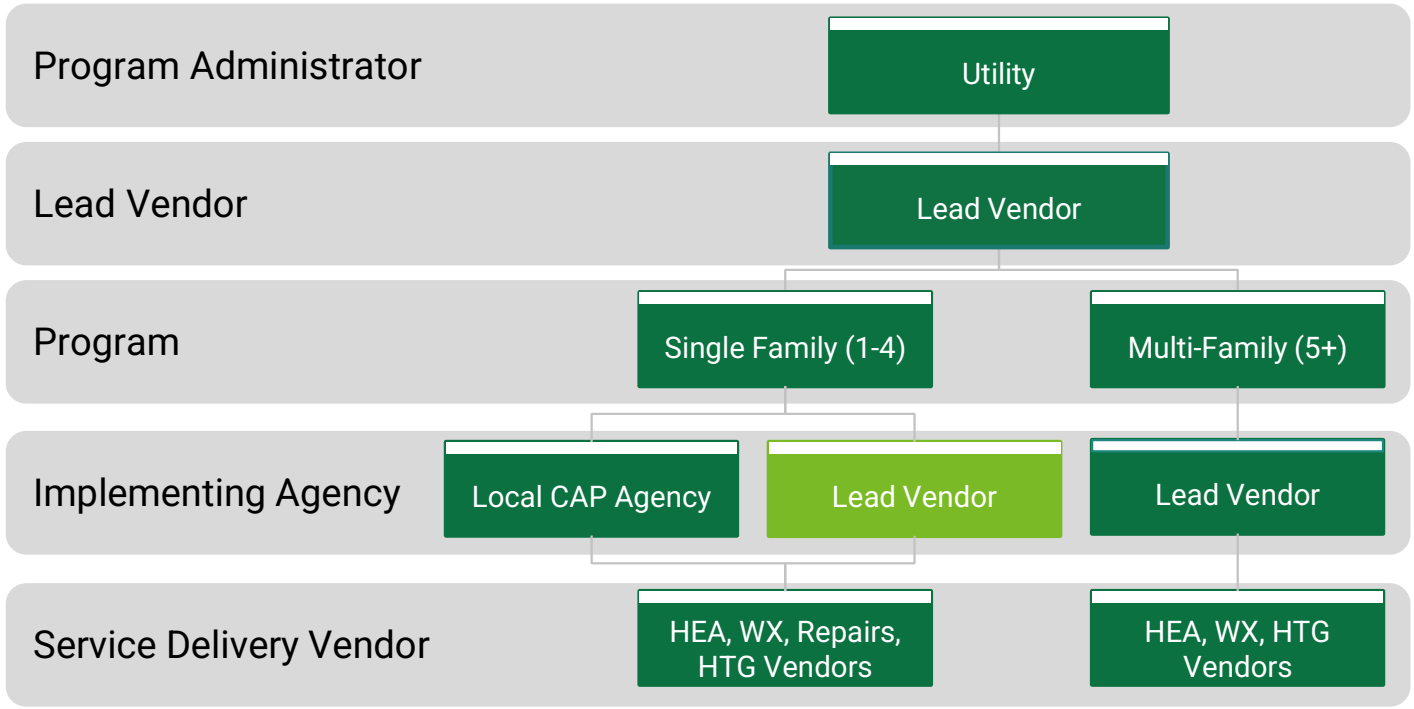
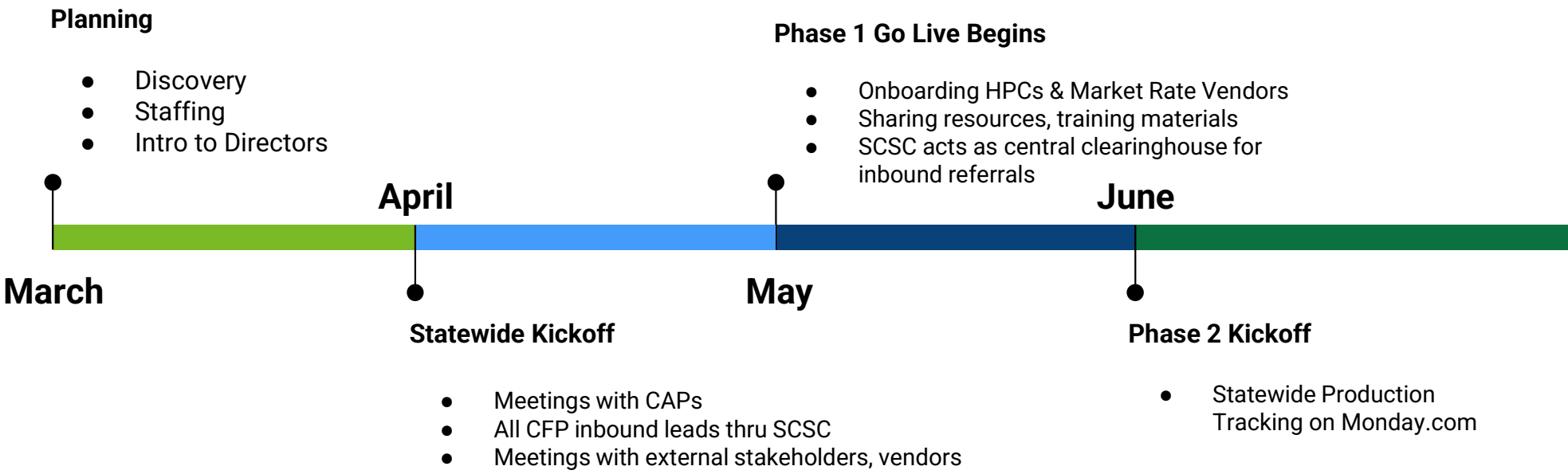
Statewide Solutions: Statewide Client Service Center

- All 3rd Party Inbound Referrals directed through the centralized SCSC, including from Market Rate, CFP, HPC and lead vendors
- SCSC will review lead & assign the Implementing Agency
- Implementing Agency owns the lead from assessment through delivery and inspection
- Implementing Agency will report final status using the central referral board to show high level referral outcomes, including HEA, WX, HTG/ASHP work status
- Participating PAs: Eversource, National Grid, Unitil, Berkshire



Program Delivery Structure: Lead Vendor Implementation

- Local CAP Agency *or* Lead Vendor may act as implementing agency to deliver Single Family Program
- Improve Customer Service
- Optimize vendor network (involving HPC generated work)



Implementation Timeline