



September 27, 2018

Judith Judson, Chair
Energy Efficiency Advisory Council
Commissioner
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: MA Joint Statewide Electric and Gas Three-Year Energy Efficiency Plan, 2019-2021

Dear Ms. Judson, Energy Efficiency Advisory Council, Investor Owned Utilities, and Department of Public Utilities:

LISC wants to thank the Program Administrators for providing the updated September 14, 2018 draft version of the 2019-2021 Three-Year Energy Efficiency Plan. We would like to **raise three specific issues we see with the Draft Plan as it currently stands:**

First is the Draft Plan's low-income program definition. While we appreciate that the budget for low-income programs has been increased proportionately to stay compliant with at least 10% of the total expenditures for electric energy efficiency programs and at least 20% of the total for gas energy efficiency programs, we believe that the low-income program should be serving up to **80% of state median income to be consistent with HUD's definition of low-income**, and that the budget should be increased accordingly to support a broader income band than the program has served historically.

Second, LISC applauds the PAs for including energy storage in the revised Plan, as we see batteries as a valuable way for multifamily affordable housing facilities, particularly those on the commercial rate, to reduce their demand charges, which can save them over half of their total electric bill. Batteries can also provide critical resiliency benefits as our Commonwealth increasingly experiences more intense weather events. However, we find what is being proposed is still incomplete, and that for the market rate sector, upfront rebates for energy storage are needed as well as sufficient performance incentive rates. **For energy storage to**

truly scale on the affordable housing side, batteries should be added to the Technical Reference Manual as an eligible LEAN Low Income Multi Family Program measure.

Third, we are excited to see the Plan's new Passive House offer, which includes incentives for residential new construction design teams and owners at critical stages, including modeling subsidies, design charrette support, pay for savings incentives for energy performance, and an adder per unit for achieving certification. While we heartily back these incentives and think they will be instrumental in supporting both market and affordable Passive House new construction projects, **we request specific and sufficient amounts for this initiative.** For instance, the 90 Passive House professionals referenced in the Draft Plan is a very low bar – we need a 5 to 10 fold increase in this number. For instance, the current goal could be met by training one large construction company such as Skanska or Suffolk.

If the Commonwealth's energy sector wants to see true market transformation toward a future Passive House built environment that is more energy efficient, cost-effective, resilient, and comfortable for residents and owners, **it must fully invest in the incremental cost to get us there, and we believe \$5-10 Million should be provided.** The affordable housing sector is justifiably preoccupied with addressing the affordable housing crisis, and would welcome the energy sector's partnership and investment in creating high quality, energy efficient homes for its residents. Thank you for your work on these important revisions and **we look forward to your consideration of HUD's low-income definition and expanded budget for LEAN; upfront rebates for batteries and their inclusion as an eligible LEAN measure; and more significant Passive House investments in the final Plan.**

Sincerely,



Mike Davis, AICP, LEED AP BD+C
Senior Program Officer, LISC Boston



Emily Jones
Program Officer, LISC Boston