

EEAC Residential Workshop #3

Tuesday December 5th, 2017

9:00 AM – 1:15 PM

Saltonstall Building, 100 Cambridge Street, Boston

Facilitators: Dr. Jonathan Raab, Raab Associates & Toby Berkman, CBI

Draft Meeting Summary

EAC Councilors, consultants, program administrators, and DOER staff were in attendance at this workshop.

A list of these attendees is included in Appendix A. Numerous members of the public were also in attendance. The workshop background material and presentations can be found at <http://ma-eeac.org/december-5-residential-planning-workshop-3/>.

INTRODUCTION AND WORKSHOP OVERVIEW

Dr. Jonathan Raab, facilitator from Raab Associates, welcomed the group to the workshop and reviewed the agenda. The workshop included the following topics of discussion:

- Developing an Updated Residential Program Vision for 2019-2021: Putting it all together
- Multi-Family Program
- Low Income Programs

There was a similar process for each of these topics:

- First, a member or members of the consultant team presented background on the topic and suggested recommendations. For the first topic on the Residential Program Vision and the third topic on Low Income Programs, the PAs offered a presentation as well.
- The Councilors asked questions to the PAs and consultants, and the PAs and consultants provided answers. For the first topic on the Residential Program Vision, the presentations were broken into multiple sections, with a question and answer session following each session.
- After this question and answer session, the Councilors met to discuss suggested revisions to the recommendation. For the first topic on the Residential Program Vision, these conversations took place in two break out groups facilitated by Dr. Raab and Toby Berkman. For the second two topics on Multi-Family and Low

Income Programs, these conversations took place at small tables that held 4-6 Councilors.

- Finally, the Councilors shared their suggested revisions to the recommendation to the entire group, and the Councilors working with the Facilitators either agreed on the revisions or highlighted language for further reflections and discussion.

There was also a period for public comment at the end of the workshop.

Margie Lynch, EEAC Consultant, noted that this was the third and final residential workshop. The goal was to knit together content presented in first two workshops, and identify strategic recommendations for the residential program. Ms. Lynch reviewed the progress made during the first two residential workshops, including presentation and discussion of the decrease in claimable lighting savings and innovative strategies in the first residential workshop, and discussion and identification of recommendations regarding Heating and Cooling Equipment, Serving Hard to Reach Populations, Retail Lighting and Consumer Products, Behavior Programs, and New Construction in the second workshop. Slides from Ms. Lynch's presentation are available on the workshop materials website (URL noted above).

DEVELOPING AN UPDATED RESIDENTIAL PROGRAM VISION FOR 2019-2021: PUTTING IT ALL TOGETHER

Councilor Presentation

Courtney Moriarta, EEAC Consultant, reviewed the updated residential program vision for 2019-2021. Slides from her presentation are available on the workshop materials website.

Question & Answer Session

The Councilors made the following comments and asked the following questions during the question and answer session. *Responses from EEAC Consultants are in italics.*

- How does the new strategy help create a long-term relationship with the customer, and how does the use of smart phone and data management technology help with this?
 - *One idea is to enroll customers in a data management system where they will have a profile that they can check any time, for example on a smart phone. It will include a list of things that I can do to improve my home. The nature of the engagement is more personalized than in the current system. It is possible to have a two-way conversation, where the program doesn't just push information out to the customer. The experience of the*

Tennessee Valley Authority with a similar tool suggests that more people will engage in future years and in additional follow-up measures.

- How will you operationalize this new strategy? In the current system, if a customer gets a home energy assessment (HEA) in a given year, we hope they will get energy efficiency work done in that same calendar year. Under the new model in this vision, the work might be done years after an HEA. How will you track those savings?
 - *Those are important considerations that would need to be addressed as we consider how to execute this vision.*
- How do you plan to communicate with the customer?
 - *We will look at the various stakeholders, and what we understand their needs to be and how to speak to them. Our channel partners will be key. There will be a network of partners reaching out to customers whenever they consider home improvement.*
- Will you ever call them or send a text message? Yes.
- There should be one contact person for each customer. The key is not data but the relationship. A lot of contractors have these relationships, and it is what makes customers trust their advice. I would be concerned if the goal of this vision is to use data to minimize customer contact.
 - *The goal is to give customers the option to participate at whatever level will work for them. If they want a single point of contact, potentially we could create a channel for that, for example through a comprehensive home performance contractor. Other people may want to create their own storyline and go step by step through it, and there will be options for them too. The goal is to create multiple options and use data intelligently to better inform customers and track them more effectively.*
- I like the idea of channel partners, but there might be a conflict of interest for roofers or plumbers doing energy efficiency.
- We already have trained and motivated retail salespeople at Home Depot and elsewhere. Are you planning to train people who work for Home Depot or for the program itself? How will you motivate these people?
 - *The expectation is we would go through a design and development process that would answer those questions in a way that works for Massachusetts. We're looking at our data and past experience, and doing a lot of due diligence to see what will motivate channel partners and create a relationship that will work.*
- We consistently hear from cities and towns that they are interested in setting their own goals and measuring their own progress rather than participating in the program. How could data be aggregated and shared with cities, towns, or community partners interested in enhancing utility programs?
 - *The program could have channels for these stakeholders that shows those things.*

PA Presentation

Leah Berger with Columbia Gas and Cheryl Harrington from Eversource provided the PAs' residential program vision for 2019-2021. Slides from their presentation are available on the workshop materials website.

Question & Answer Session

The Councilors made the following comments and asked the following questions during the question and answer session. *Responses from the PAs are in italics.*

- The Consultants focused on major revamp to energy audit, but the PAs did not. What are the PAs thinking about this issue?
 - *Everything is on the table and we anticipate there will be some changes to the audit structure. It may not make sense to do an audit when we know there's no opportunity for savings.*
- The ideas in this presentation seem very similar to our current programs. For example, you discussed target marketing but you have already been doing that.
- How well are the online audits working? The assumption behind these ideas seems to be that customers are confused and we need to make it easier for them. I think customers move forward when they see a real person who understands them and talks to them. Do we have a different perspective on how this program should run?
 - *We utilize online assessment data all the time. One common recommendation from the online assessment is that the customer is a good candidate for an in-person assessment. If that's the case, we will follow up on the recommendation.*

Recommendations and Question & Answer Session

Ms. Lynch, EEAC Consultant, presented the consultant's draft recommendations on residential program vision for 2019-2021. The Councilors made the following comments asked the following questions during a question and answer session about the recommendations. *Responses from either the PAs or EEAC Consultants are in italics.*

- Is a new integrated platform necessary for all these measure in light of the investment required?
 - *The integrated platform is a central element for some of the strategies and for others it will support our ability to pursue that strategy to the full extent possible, or make it easier to do things better.*
- I do not believe data by itself will increase participation levels. We need more human-to-human interaction.

- The idea of market channels seems very retail oriented. What happens in neighborhoods where they don't have big box retail stores, and where people own their homes but aren't thinking of making a purchase?
 - *The recommendations from the second workshop address hard to reach customers, and touch on that issue to some extent.*
- Where is the recommendation to build an effective sales force?
 - *We thought that idea was covered by the larger umbrella of our recommendations, but it is fine if you think it needs to be called out more specifically here.*

Modifications to Recommendation

After meeting in two facilitated break out sessions and then discussing the issue as an entire group, the Councilors collectively agreed to amend the consultants' draft recommendations on residential program vision for 2019-2021 as shown below. Additions to the consultants' draft recommendation are shown in red, and deletions are shown as strikethroughs. Language on which the Councilors did not fully agree and wanted to further consider is highlighted in yellow. A clean version of all the revised recommendations (which includes highlighted language) is included in Appendix B:

~~Maintain strong~~ **Increase** participation levels **and maintain strong** program savings, ~~spending~~ and benefits achievements for all residential sectors **homeowner** and **rental** initiatives by providing a new integrated residential program design that:

1. **Increases customer capture**

- Leverage remotely accessible data, third-party sources, and real-time site data to segment, target, prioritize and customize **marketing and** offers to customers
- Increase the points of entry into the Mass Save program for customers during **common homeowner home-related transactions**, linked to incentives that meet a wider range of customer needs
- Cultivate, **diversify**, and expand market channel **and community** partnerships to inform, recruit, and enroll customers in the program
- Cultivate and expand an effective, motivated sales force**
- Acquire and upgrade information about customers' decision-making processes regarding participation in energy efficiency**

2. **Provides new methods of realizing savings**

- Promote cost-effective new fuel switching measures that advance state greenhouse gas reduction **and cost-saving** goals, **including from delivered fuels to regulated energy sources**
- Integrate new ~~electric~~ active demand management measures **(e.g. EV charging) and storage** into EE programs, in addition to achieving passive demand reductions through efficiency

- c. ~~Include integration and/or eCo-delivery of storage,~~ and coordinate electric vehicles/charging, ~~photovoltaics~~ distributed energy resources, and other related services with EE programs, while ensuring primacy of energy efficiency measures
3. **Increases conversion rates for existing measures** (especially weatherization, heating and cooling)
 - a. Develop new audit approaches, including data-driven remote options
 - b. Provide a ~~clearer~~ **an easier** path and reduce barriers for the customer: requiring fewer steps to complete transactions, automate and expedite approval processes, and improve access to ~~and use of~~ financing
 - c. **Improve feedback loop and increase targeted reengagement to close on recommendations**
 - d. **Cultivate and expand personal/trusted, long-term relationships with the customer**
 - e. Offer greater customization **to customers:** using single measure, comprehensive, incremental, and performance-based options
 4. **Modernizes data management** to provide a more consistent statewide experience for customers and other stakeholders, ~~including ongoing feedback and participation opportunities~~ **to accomplish items 1-3 above.**

MULTI-FAMILY PROGRAM

Councilor Presentation

Ms. Moriarta reviewed the residential Multi-Family Program and presented the consultants' draft recommendation. Slides from her presentation are available on the workshop materials website.

Question & Answer Session

Participants made the following comments and asked the following questions during the question and answer session. Unless otherwise noted, comments and questions were offered by the Councilors. *Responses from either the PAs or EEAC Consultants are in italics.*

- A PA commented that a lot of the ideas in the recommendations are already covered by other recommendations. The Councilors should look for synergies to ensure there is a reasonable number of recommendations overall.
 - Dr. Raab noted that the facilitators will work with the consultants and DOER to streamline the recommendations once they have all been

revised, to help develop a more integrated document for the Councilors to discuss and further refine at the 6th Workshop.

- Why not include benchmarking in these recommendations? In addition, you mentioned we have to cover every touch point to turn people into energy efficiency customers, so shouldn't we include refinancing as one of those touch points?
 - *You should consider all those possibilities as you deliberate on recommendations. We will also be addressing refinancing when we discuss Low Income Programs.*
- Would pay for performance be helpful here?
 - *More clarity on data might open up opportunities for a pay for performance option. DOER is conducting a pilot program looking at that possibility.*
- Is the DOER program for multifamily or residential?
 - *DOER has a pilot only for 1-4 unit buildings.*
- The first recommendation is doable and sounds brilliant. What is the PAs' reaction to it?
 - *When we report to the DPU we need to report our savings as gas or electric, and commercial or residential. We file separate plans by sector. So when a vendor goes into a building and performs integrated services, it may not come out as cost-effective when we pull apart the numbers to report.*
- If there are regulatory barriers, we should be looking at how to address them. Multi-family is an important segment, and a difficult segment to penetrate. If one of the barriers is how we report savings then we should look at that. Maybe we should add a recommendation on how to accomplish that. DOER would be supportive of this at the DPU, to allow for us to show cost-effectiveness of the whole building.
 - *Language in the existing orders might have more latitude than we realize, and there might be an opportunity to interpret it for cost-effectiveness purposes as allowing for a blended BCR.*
 - *There are actually four separate orders, not just one.*
- We should create a single point of contact.
 - *That is being done already.*

Modifications to Recommendation

After meeting at their small tables and then discussing the issue as an entire group, the Councilors collectively agreed to amend the consultants' draft recommendation on the Multi-Family Program as shown below. Additions to the consultants' draft recommendation are shown in red, and deletions are in strikethrough. Language on which the Councilors did not fully agree and wanted to further consider is highlighted in

yellow. Outstanding questions (are in parenthesis). A clean version of all the revised recommendations (which includes highlighted language) is included in Appendix B:

1. Establish a multi-family retrofit program framework that seamlessly integrates residential and commercial metered savings opportunities into whole building solutions and increases uptake of whole building measures
2. Enable program tracking and energy benchmarking by building/facility to support improved customer service and provide customizable levels of service appropriate to varying customer and building types [Is this an overarching recommendation and therefore could it be deleted under Multi-Family?], and both single path (i.e. comprehensive single transaction) and including incremental paths to whole building improvements
- ~~3. Provide customizable levels of service appropriate to varying customer and building types~~
4. Identify and present options to address market and regulatory barriers to serving multifamily properties, including a blended BCR for multifamily core initiative
5. Leverage key points in the building life cycle including refinancing
6. Reexamine a pay for performance program for market rate multifamily

LOW INCOME PROGRAMS

Presentation

Mark Cravitz, EEAC Consultant, reviewed the Low Income Programs and presented the consultants' suggested recommendation. John Wells and Elliot Jacobson from LEAN then presented supplemental information on the Low Income Programs. Slides from both presentations are available on the workshop materials website.

Question & Answer Session

The Councilors asked the following questions during the question and answer session. Responses from either LEAN or EEAC Consultants are in italics.

- What do you need to know about low-income registrations? What are you missing or looking for?
 - *Eligibility is not the question. The LIHEAP application process provides a lot of referrals to the low income program, and our partnership with the Department of Health and Human Services provides the PAs with a list of individuals in the SNAP (food stamps) program. We want to go deeper into that information transfer process. Where does the information go and how does it get to the CAPs? Are there additional households out there and if so who are they?*

- Is the effort to ensure communications between the market rate and low income programs just to make sure people go to the right program?
 - *Yes, we are interested in identifying opportunities for referral into the low income. For example, how might a kiosk at a big box retailer inform me if I'm eligible for the low income program. In addition, if there are changes to the market rate programs, we need to ensure that we're working together to avoid confusion with the low income program.*

Modifications to Recommendation

After meeting at their small tables and then discussing the issue as a entire group, the Councilors collectively agreed to amend the consultants' draft recommendation on Low Income Programs as shown below. Additions to the consultants' draft recommendation are shown in red, and deletions are in strikethrough. Language on which the Councilors did not fully agree and wanted to further consider is highlighted in yellow. Outstanding questions (are in parenthesis). A clean version of all the revised recommendations (which includes highlighted language) is included in Appendix B:

1. Identify and support new and enhanced electric and gas measures and innovative strategies ~~to make up for lost lighting savings~~
2. ~~Identify opportunities for achieving~~ **Review program model strategies to achieve** additional cost efficiencies ~~as the ability to claim savings for a key low cost measure—lighting—decreases~~
3. ~~Include information in 2019–2021 Plan regarding key program processes and protocols to support assessment of performance and identification of~~ **Identify and implement** continuous improvement opportunities **and include information in the 2019-2021 Plan**
4. Assess ~~whether there are~~ gaps in participation and **take steps to deliver demonstration plans achieving** equivalent and proportional services regardless of geography ~~as if necessary~~
5. Develop and demonstrate alternative measure packages and service delivery models to serve a wider and diverse range of customer needs and interests
6. Ensure communication between the market rate and Low-Income Programs to identify and coordinate program innovations when applicable
7. **Develop new delivery models to increase participation rate of households between 60 and 80 percent median income** [Should we include this recommendation in another section because low-income = <60%? Some version might already be in the second workshop recommendations.]

WRAP UP AND NEXT STEPS

Dr. Raab reviewed the process moving forward. He noted that the facilitators working with the consultants and DOER would be creating consolidated recommendations and distributing them at least one week before the next workshop. The final workshop, to

take place on January 30th, 2018, will involve looking at the cross-cutting topic of active demand management, as well as reviewing all the recommendations together and working on the final recommendations document.

PUBLIC COMMENT

Dr. Raab opened the meeting for public comment. Two members of the public offered comments.

Uli Nagel—ener-G-save

I spoke during the second residential workshop and I wanted to give an update on our program since then. At that time we had 300 people signed up for audits. In last six weeks we have had another 200 people sign up. Now we have around 500 people signed up in total, and we are working with 450. Springfield and Chicopee have shown a lot of interest in the program, mainly because town officials encouraged people to participate.

People are telling us we are using a very good approach. We think it's because we are using a nonprofit approach that people find trustworthy. We are working with parents, for example through the group Mothers Out Front. The thermal images we produced got a lot of interest, but once we sent them out the response was the same as with regular direct mailings. The big reaction was when we first announced there would be images.

We're still interested in figuring out how to get feedback from customers. Customers are expressing that they'd be willing to have their information shared, and it would be helpful if we could get more data from the utilities. We're refining our customer feedback system to make it more automated. Generally it would be amazing to encourage and support contractors to go beyond the MassSave program [measures].

Rev. Marianna White-Hammond—Bethel AME Church and the Green Justice Coalition

In January 2016, my church invited in Next Step Living to do home energy audits for our community. I tried to recruit people who didn't usually show up. The most powerful moment was when we showed community members that they were already paying for energy efficiency but most had not received anything. There was excitement leaning on the side of frustration. Our church represents people who have not been well served by the program to date. I spent the last few months reviewing the website and learning about it.

I'm happy to see that this month the residential seat is filled. It's a huge improvement. I want to raise three core concerns. When you want to make something better you need to start by figuring out what isn't working. Last month, some data was shared about

renters, but at least there was data. Multiple people have identified that low income, renters, and people for whom English is not the first language have been labeled “hard to reach.” This isn’t accurate. If you try to reach French people in Boston, they’re hard to reach. But they’re not hard to reach in Paris. I’m not sure the work has been done to reach people where they are.

I understand the impulse to use big box stores, but that’s not a great place to reach hard to reach people. Let’s talk about where to reach these people. The process could benefit from focus groups. Let the group hear from the people it is supposed to serve. Of the EEAC members, how many did not speak English as first language? None. In the room overall, how many did not speak English as a first language? Only two people. So maybe we don’t have the right people in the room to talk about how to reach those people. How many of the people in the EEAC are renters? There are three of you. My concern is we should collect information from these people on how to reach them, and that should be driving this process.

Second, overall the goal is to reduce energy use and emissions. But really the goal is to get people to adopt habits themselves and in their houses to reduce emissions. It’s a behavioral societal approach, but that’s not how the data is being assessed. The question of how to get people to adopt things might be central, not just what we want to get to as a long-term goal. Maybe you’re hoping the PAs will do that, and the idea is the Council will set big goals and the PAs figure out how to get people to achieve them. But people will do what they are incentivized to do. How are the incentives being thought through, both on the people side and PA side? The PAs get aid whether they serve people or not. Whatever you incentivize people to do that’s where they reach the bar. I’m deeply concerned about a structure where you get paid whether you deliver or not. I understand there’s a 75% performance bonus threshold. In my home, that’s a C. You didn’t get your allowance for earning a C in my home. These are fundamental challenges. I’m just not sure the process should keep moving forward without listening to people to collect data, that data driving the work, and incentives being directly connected to implementation of the goals. Folks can point me to additional data, but that’s what I see so far.

Lastly, Alicia is doing a study. She is trying to reach 50 people in Boston, mostly renters, to understand why they are or are not accessing energy efficiency programs. She said when she’s finished she’ll send out the data. It will be free focus group data.

Following these public comments, Dr. Raab thanked participants and adjourned the workshop.

Appendix A: Attendance

Comment [TB1]: I only have the list of councilors.

The following Councilors, consultants, program administrators, and DOER staff were in attendance.

Councilors

- Judith Judson (Chair)—DOER
- Eric Beaton (for Chrystal Kornegay)—DHCD
- Larry Chretien—Mass Energy Alliance
- Rebecca Davies—MAPC
- Paul Johnson—Small ESCOs (Greentek)
- Amy Boyd—Acadia Center
- Charlie Harak—NCLC
- Mary Wambui—Dorchester Bay Economic Development Corporation
- Don Boecke (for Maura Healey)—AGO
- Elliott Jacobson— Low-Income Energy Affordability Network
- Bob Rio—Associated Industries of MA
- Michael McDonagh—Realtors Association
- Sharon Weber—DEP
- Paul Gromer—Peregrine Energy
- Victoria Rojo—ISO-NE

Council Consultants

- Margie Lynch
- Courtney Moriarta
- Mark Cravitz
- [Others?Glen Reed](#)

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Program Administrators¹

- [Cheryl Harrington](#)
- [Amy Vavak](#)
- [Leah Berger](#)
- [Others?](#)

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DOER Staff

- Arah Schuur
- [Ian Finlayson](#)
- Alex Pollard
- Matt Rusteika

¹ Additional PAs attended the workshop as audience members, but are not included in this list.

- Others?

Appendix B: Revised Recommendations

The following language was agreed to by the Councilors attending the 2nd Residential Workshop. Language on which the Councilors did not fully agree and wanted to further consider is **highlighted in yellow**. Outstanding questions (are in parentheses).

Residential Sector

Increase participation levels and maintain strong program savings and benefits achievements for all residential homeowner and rental initiatives by providing a new integrated residential program design that:

1. Increases customer capture

- a. Leverage remotely accessible data, third-party sources, and real-time site data to segment, target, prioritize and customize marketing and offers to customers
- b. Increase the points of entry into the Mass Save program for customers during **common home-related transactions**, linked to incentives that meet a wider range of customer needs
- c. Cultivate, **diversify**, and expand market channel **and community** partnerships to inform, recruit, and enroll customers in the program
- d. Cultivate and expand **an effective, motivated sales force**
- e. Acquire and upgrade information about customers' decision-making processes regarding participation in energy efficiency

2. Provides new methods of realizing savings

- a. Promote cost-effective new fuel switching measures that advance state greenhouse gas reduction **and cost-saving** goals, **including from delivered fuels to regulated energy sources**
- b. Integrate new active demand management measures **(e.g. EV charging)** and storage into EE programs, in addition to achieving passive demand reductions through efficiency
- c. Co-deliver and coordinate electric vehicles/charging, distributed energy resources, and other related services with EE programs, while ensuring primacy of energy efficiency measures

3. **Increases conversion rates for existing measures** (especially weatherization, heating and cooling)
 - a. Develop new audit approaches, including data-driven remote options
 - b. Provide an easier path and reduce barriers for the customer: requiring fewer steps, automate and expedite approval processes, and improve access to financing
 - c. Improve feedback loop and increase targeted reengagement to close on recommendations
 - d. **Cultivate and expand personal/trusted, long-term relationships with the customer**
 - e. Offer greater customization to customers: using single measure, comprehensive, incremental, and performance-based options
4. **Modernizes data management** to provide a more consistent statewide experience for customers and other stakeholders, to accomplish items 1-3 above.

Multi-Family Program

1. Establish a multi-family retrofit program framework that seamlessly integrates residential and commercial metered savings opportunities into whole building solutions and increases uptake of whole building measures
2. Enable program tracking and energy benchmarking by building/facility to support improved customer service and provide customizable levels of service appropriate to varying customer and building types **[Is this an overarching recommendation and therefore could it be deleted under Multi-Family?],,** including incremental paths to whole building improvements
3. Identify and present options to address market and regulatory barriers to serving multifamily properties, including a blended BCR for multifamily core initiative
4. Leverage key points in the building life cycle including refinancing
5. Reexamine a pay for performance program for market rate multifamily

Low income Programs

1. Identify and support new and enhanced electric and gas measures and innovative strategies
2. Review program model strategies to achieve additional cost efficiencies
3. Identify and implement continuous improvement opportunities **and include information in the 2019-2021 Plan**
4. Assess whether there are gaps in participation and take steps to deliver equivalent and proportional services regardless of geography if necessary
5. Develop and demonstrate alternative measure packages and service delivery models to serve a wider and diverse range of customer needs and interests
6. Ensure communication between the market rate and Low-Income Programs to identify and coordinate program innovations when applicable

7. Develop new delivery models to increase participation rate of households between 60 and 80 percent median income [Should we include this recommendation in another section because low-income = <60%? Some version might already be in the second workshop recommendations.]