January 17, 2024

January EEAC PA Updates

WE ARE MASS SAVE®:

Berkshire Gas
An Avangrid company

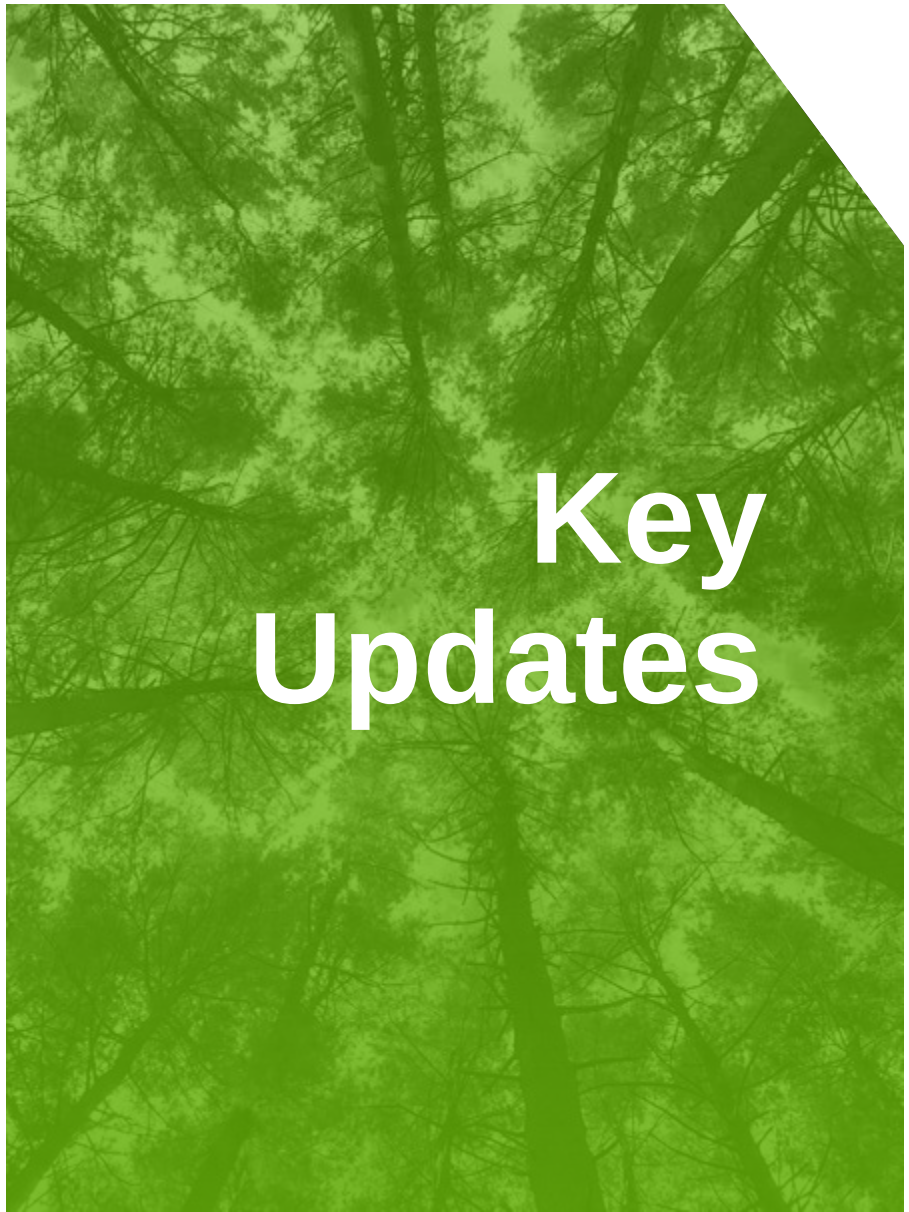
Cape Light Compact

EVERSOURCE

Liberty

nationalgrid

Unitil



Key Updates

Rebate Processing Update

Program Updates

Rebate Processing Update

Call Center

Average Call Center wait time dropped from >6 min in November to <1 min in December.

Maintaining enhanced staffing levels to align with increased customer demand.

PAs have invested in internal QA/QC capacity and customer escalation support.

Heat Pump Applications

~20k heat pump applications received since July (~3k applications per month).

Volume of paid incentives continues to increase month-over-month (over $20 million rebates paid in Dec vs. over $17 million rebates paid in November; on track to exceed Dec volume of incentives paid in Jan).

33-day average for paid applications from completed application to payment. Wait times are longer for incomplete applications.

Proactive customer outreach underway to address applications with “Missing Information.”

All Rebate Applications

~60k rebate applications received since July (~9,500 applications per month).

Volume of paid incentives continues to increase month-over-month (over $21 million rebates paid in Dec vs. almost $18 million paid in November; on track to exceed Dec volume of incentives paid in Jan).

34-day average for paid applications from completed application to payment. Wait times are longer for incomplete applications.

Residential Retail Program Changes

- Whole-home heat pump rebates ($10k) will now require the existing fossil fuel system to be removed, disconnected or disabled
- Heat Pumps must now meet the Energy Star® 6.1 Cold Climate Specification
- Fossil Fuel Rebate Phaseout
  - 25% reduction from 2023 amounts
  - **April 30 –** Deadline for HEAT Loan authorization letter
  - **August 31 –** Deadline for fossil fuel measure installation
  - **September 30 –** Deadline for rebate application submission.

2024 changes happening in Retail Program in order to stay aligned with state policy

Residential Retail Program - Communications

- Announced on the Fall Heating and Cooling Conference kickoff event on October 11th.
- Sent periodic notices to the Mass Save HVAC contractor email list.
- Changes were noted in a header on the respective rebates pages throughout November and December.
- Ensured distributors were aware of updates during regular check-in meetings and branch visits.
- Communication about fossil fuel phaseout and deadlines sent to heat loan lenders.
- Communication to recipients of whole-home rebates reminding them to use only their electric heat pump for heating and providing resources for system optimization and tuning.

C&I New Construction Program Changes

- All electric required for new building participation – change took effect late 2023
  - Limited exceptions for where fossil fuel equipment is allowed but is not supported by PAs (e.g., in labs)
- Advance compliance with the mandate in the 2022 climate legislation prohibiting incentives for new fossil fuel equipment.
- Additional program changes under investigation
  - e.g., investigating realignment of incentive tiers

Modifying New Construction Programs to align with evolving state policy

C&I New Construction Program - Communications

- Discussing new policy with customers/design team members as they engage
- Webinar – planned for early February
- Email blast to database of customers, developers, designers, other typical C&I new construction business partners – early February

Residential New Construction Program Changes

- Program changes take effect on July 1, 2024.
- Single-family pathways
  - Requires All-electric construction for program support.
    - Specific FF lifestyle appliances allowed in the base pathway.
- Multifamily
  - Requires All-electric space heating to receive any program support.
  - FF allowable for hot water, though not directly incentivized through the program
    - PAs are exploring additional incentives to increase the adoption of electrifying HWH in MF construction.

Modifying New Construction Programs to align with evolving state policy

Residential New Construction Program - Communications

- Message to Multifamily High-Rise developers on 12/5/23.
- Message to low rise builders on 1/8/24.
- ICF has been holding webinars for the RNC community since the fall, and updates will be included in its January newsletter to HERS raters.

Appendix

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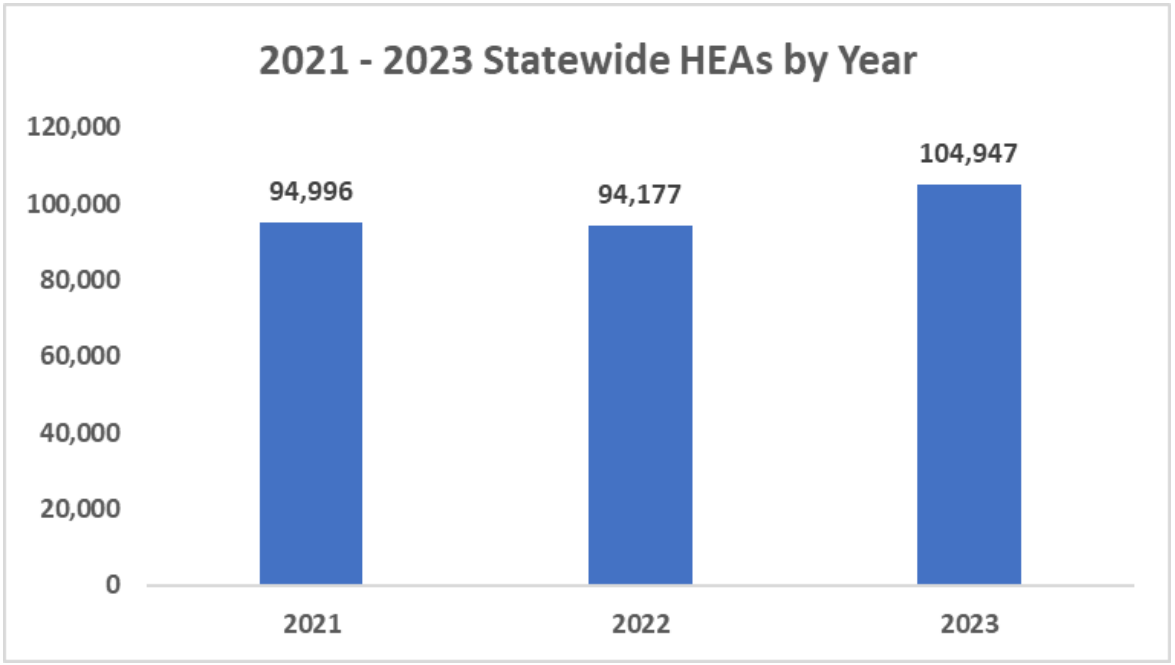
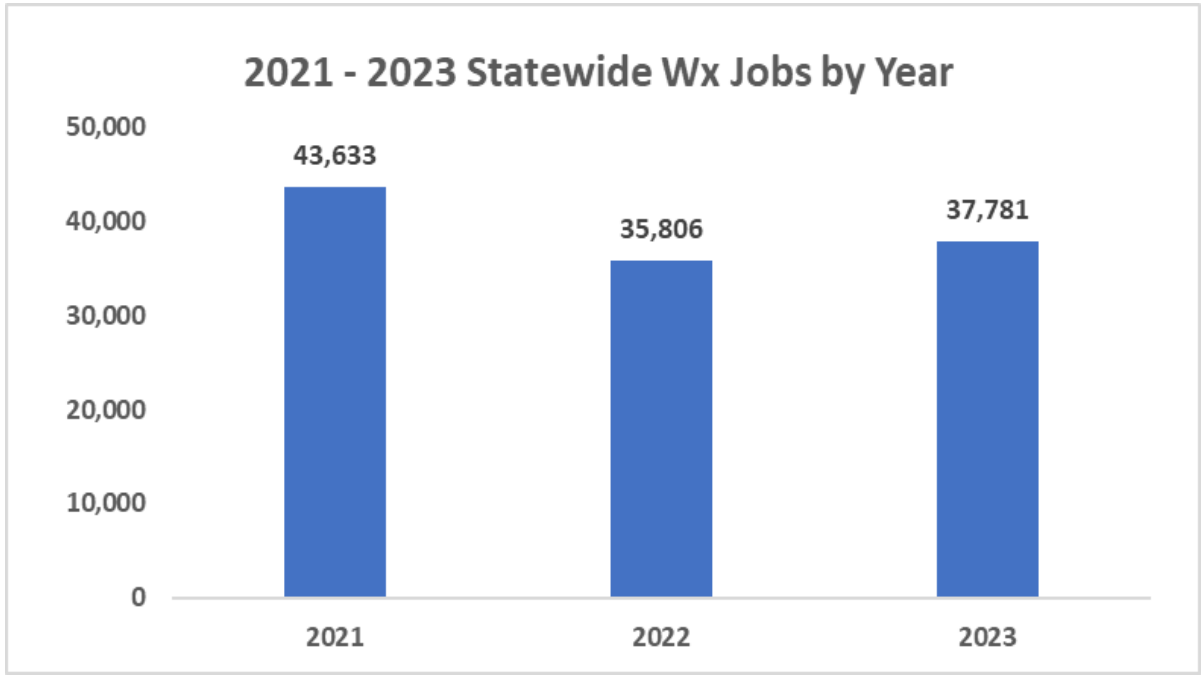
YTD HEA and Weatherization Through December



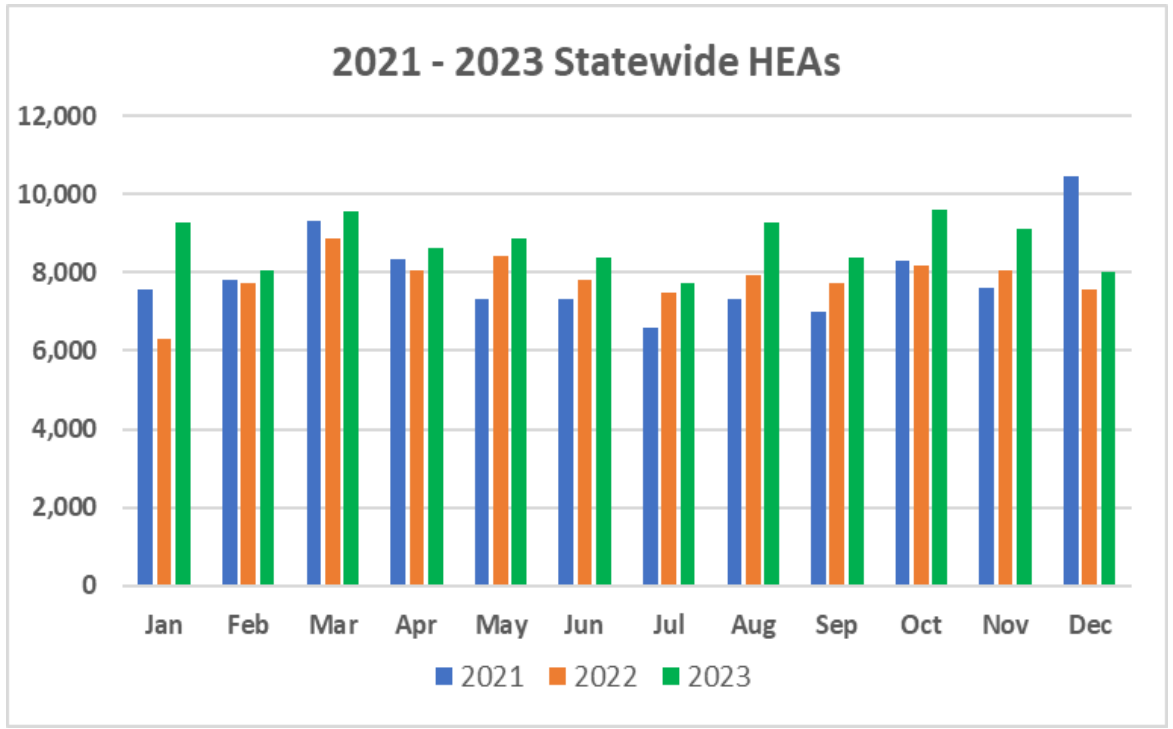


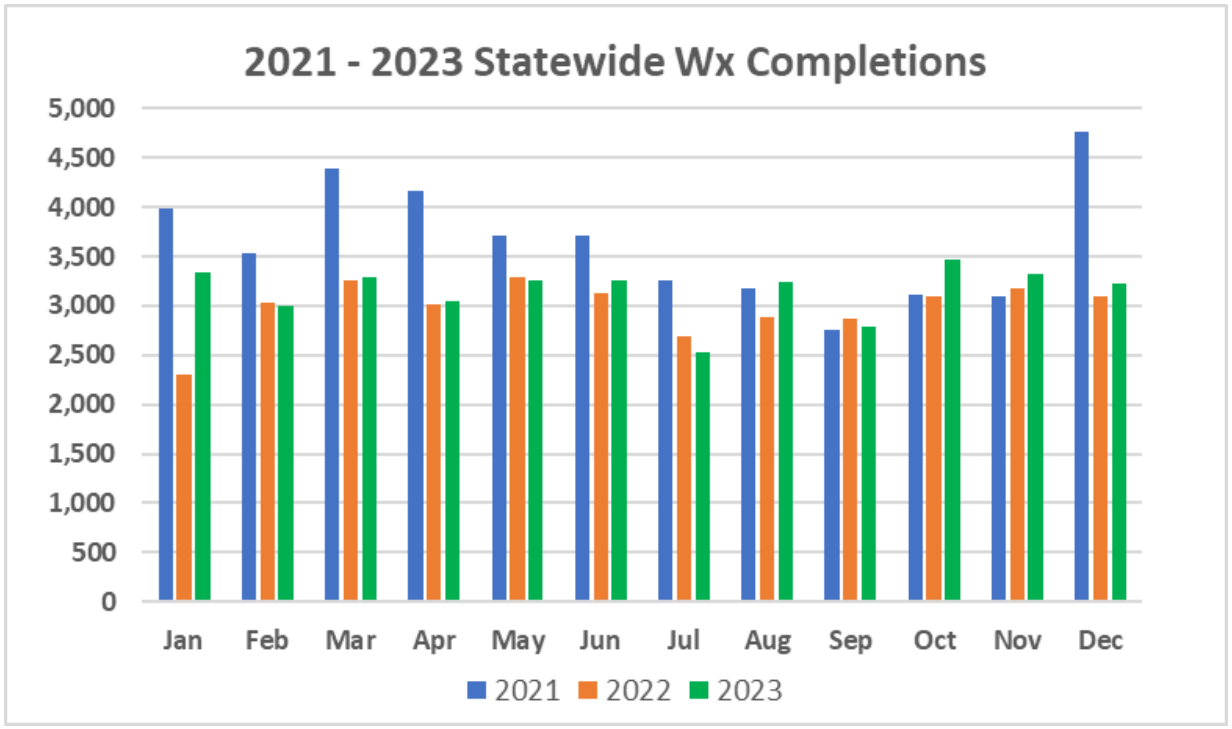
2023 HEAs are up 11.4% compared to 2022

2023 Wx Jobs are up by 5.5% compared to 2022.

Across all LVs & HPCs, HEA lead times are in the 2-3 week range.

YTD HEA and Weatherization Monthly Through December





% of Jobs by Pathway, October-December

- HPC – 51.5% of HEAs, 59.3% of Wx Completions
- Lead Vendor/IIC – 48.5% of HEAs, 40.7% of Wx Completions