



March 24th, 2021

To: The Massachusetts Energy Efficiency Advisory Council (EEAC)

From: PowerOptions

Re: Comments on the Council Priorities for the 2022-2024 3-Year Energy Efficiency Plan

[PowerOptions](#) is a non-profit energy consortium whose Members include more than 400 non-profits and public entities across Massachusetts. More than 50% of these Members are organizations that are underserved communities in the energy savings achieved by the Mass Save program offerings: low-income housing, senior living, community health centers, municipalities with a high percentage of environmental justice communities, and small business-size energy users. As an energy advocate for these Members for more than 22 years, we help our Members achieve their long-term energy goals, including energy efficiency and carbon reduction, so they can focus on their own important missions in the community. As we know, energy is a complex world, and our Members don't have the time and resources to dedicate to being energy experts, so they look to us to simplify and represent their interests. Our comments today seek to ensure their interests are represented.

On behalf of our Members, we wish to thank the EEAC for the diligence and work that is culmination into the Council Priorities today. We would like to emphasize several areas of the priorities important for success in reaching underserved communities such as our Members, and as communicated in our participation in the process that led to the Priorities.

1. Ensure Partnerships are given resources for success.

We commend the EEAC and the Equity Working Group for its efforts to improve the equitable participation in the Mass Save programs and identifying a key need in doing so to establish partnerships to reach the underserved communities and organizations. As an organization that had experience in the 2019-2021 3-Year program partnering with the Program Administrators (PAs), we confirmed the need by our Members for a partner role. We also learned first-hand the need for more guidelines and resources needed for partners. While our partnership began to have initial successes by the end, hearing from Members there was a clear interest in our support, as a non-profit and like other likely partners, we had limited resources to dedicate to the efforts. Resource support includes:

- a. Financial - Outreach efforts take time and marketing, both of which have real associated costs – those costs should be supported by predefined program fees and remuneration to ensure partners' success.

- b. Energy Data Access, Analysis, & Transparency – while PowerOptions is particularly well-positioned, given the nature of its unique role in working with organizations’ energy data, not all partner organizations may have this expertise. Energy data can be used as a powerful resource to prescreen organizations’ efficiency opportunities, by comparing to peer group benchmarks, sizing demand management opportunity, etc. This analysis could improve successful targeting and should be included in the support provided by PAs. Additionally, partners need to have access to be able to understand real-time the success of their efforts in outreach – the process PowerOptions experienced did not allow transparency and visibility of program participation of its Members, given the process Members were taken through in the Mass Save application process.
 - c. Marketing – dedicated Marketing collateral and resources are crucial in the outreach. If the PAs are to own any responsibility of these resources, they need to have clearly stated commitments. Additionally, many resources are best owned by the partners, who should be given the authority and commitment to be able to implement.
 - d. Implementer Connection – partners are just the first step in the process to implementing projects in underserved communities. Partners need to be connected with PA preferred implementers in order to accelerate adoption into the Mass Save programs. Without such connections, partners leave their constituents unclear on next steps in the process and likely to fall out of the pipeline.
- 2. Include significant funding support for small building participation in ZNE offerings.**
- We fully support the EEAC’s recommendations which would enhance pathways for smaller buildings and energy users to participate in ZNE offerings. In our experience with educating our Members of the benefits, one of the biggest barriers to adoption, even despite projects with energy savings, is the ability to deploy capital. The enhanced pathways for small organizations, especially non-profits, need to include significantly improved access to fund support, including:
- a. Low-cost capital – non-profits don’t typically have extra funds available for projects, and existing capital sources in the market come at higher costs and with much complexity, preventing projects from moving forward.
 - b. Improved incentives, including for end-of-life replacements – low-hanging fruit and very short payback projects are harder and harder to find, making projects even that much more difficult to implement by non-profits with unsure futures. Incentives for underserved communities should reflect this reality if program participation is to improve, especially with deeper savings projects.

- c. Innovative funding mechanisms for landlords – while we appreciate the dedicated approach to reaching renters through outreach to landlords through alternative pathways, the PAs need to continue to innovate solutions that reduce the split-incentive challenge and barriers from building ownership. Solutions could include development of alternative funding models and predefined tenant-landlord agreements.

3. Improve clarity of program eligibility and incentives.

Throughout the Councils' Priorities, we recognize and commend the focus on improved marketing and outreach. Critical to the success of those efforts is clarity and transparency in helping partners and customers understand:

- a. Eligibility for programs targeted to underserved communities
- b. Funding available (incentive levels, time period, 3rd party funding source, etc.) for programs, and as they may differ for underserved communities
- c. Process and timeline to access the programs, incentives, and funding

PowerOptions thanks the EEAC for the opportunity to provide comment and we look forward to continuing to work with the EEAC and the PAs to improve participation in the programs of the underserved communities of our Members.

Sincerely,

A handwritten signature in blue ink, appearing to read "Heather Takle".

Heather Takle
President & CEO
PowerOptions

A handwritten signature in blue ink, appearing to read "Kristen Patneau".

Kristen Patneau
Energy Efficiency Program Manager
PowerOptions