

## **Massachusetts Energy Efficiency Advisory Council**

### **Resolution and Priorities for the Development of the 2025-2027 Massachusetts Joint Statewide Three-Year Electric and Gas Energy Efficiency Investment Plan**

December \_\_\_\_, 2023

#### **BE IT RESOLVED THAT:**

Under the Green Communities Act (GCA), the Energy Efficiency Advisory Council (EEAC) is charged with reviewing the Massachusetts Program Administrators' (PAs) energy efficiency investment plans and budgets, which are prepared in coordination with the EEAC.<sup>1</sup> The EEAC looks forward to continuing its collaboration with the PAs and interested stakeholders as the PAs develop a sixth electric and gas statewide Plan that is bold, creative, and forward-looking with a focus on equitable program delivery and greenhouse gas (GHG) emission reductions through energy efficiency, active demand management, and electrification. These programs provide significant benefits to Massachusetts ratepayers, including economic benefits through lower customer utility bills, and non-energy benefits, including public health and environmental benefits through reduction in greenhouse gas emissions.

This resolution sets forth the EEAC's recommendations for the upcoming 2025-2027 Three-Year Gas and Electric Energy Efficiency Plans (collectively the 2025-2027 Plan). The EEAC developed and refined these recommendations during the second half of 2023 through facilitated workshops focused on different sectors and programs, the Equity Working Group's (EWG) focused attention on strategies to ensure the equitable delivery of energy efficiency in the Commonwealth and stakeholder listening sessions.

#### **The Workshop Process**

Beginning in August through October 2023, the full EEAC held six facilitated workshops each focused on different sectors and programs. During this process, the EEAC reviewed briefing materials, including potential recommendations, developed by the EEAC consultant team. During the workshops, Councilors engaged in discussion, with input from the PAs and EEAC consultants to reach consensus and develop a list of informed recommendations.

#### **The Equity Working Group**

The EWG was established by the EEAC in May 2020 as an EEAC sub-committee of voting Councilors, PAs, EEAC Consultants, and stakeholders. The EWG meets regularly to discuss areas to improve the equitable delivery of the Mass Save programs and to improve participation by historically underserved populations. As part of its work, the EWG develops recommendations for improving equitable participation in Mass Save®, with a specific focus on moderate income customers, renters,

---

<sup>1</sup> G.L. c. 25, §§19-22, as amended.

language isolated customers, small businesses, and customers in environmental justice communities. The EWG's comprehensive list of recommendations for the 2025-2027 Plan are centered around simplifying the customer experience, energizing and resourcing community partnerships with Mass Save, and applying principles of distributive justice to reflect resources to underserved populations. The EWG presented its recommendations to the full council for their consideration and feedback during an EEAC facilitated workshop focused on equity.

### **Public Opportunities to Provide Input**

The EEAC continues to be informed by public comments and stakeholder input. Leading into the workshop process, the EEAC held two public listening sessions on August 9, 2023. Further opportunities for public comment are included at the beginning of each EEAC monthly meeting and written comment is always accepted and shared with Councilors. This public feedback is used to inform the workshop materials and discussion. The EEAC will hold further listening sessions after the PAs file their draft 2025-2027 Plan with the EEAC in March 2024.

### **Recommendations**

The EEAC provides here a specific set of recommendations for the 2025-2027 Plan that support the equitable achievement of aggressive energy efficiency, demand reduction, and greenhouse gas (GHG) emission reductions that aim to be consistent with the PA potential studies and the Executive Office of Energy and Environmental Affairs (EEA) Secretary's GHG goals.<sup>2</sup> In developing these recommendations, the EEAC was mindful of budget and ratepayer impacts, the challenges presented with the delivery of electrification, the overarching need for the simplification of the customer journey, as well as the benefits of engaging with our communities to support the outreach to and service of our most vulnerable and underserved residents.

The EEAC appreciates the work of the EEAC consultant team in guiding its work and discussions, which served as the foundation for the development of the final suite of recommendations. The EEAC also appreciates the PAs' collaboration and contributions to the workshop process, as well as their active participation on the EWG. The development of these recommendations was improved by this collaborative effort and assisted the EEAC in advancing recommendations that are both aggressive and implementable.

The Commonwealth is at an inflection point. There is intense focus on the achievement of the Commonwealth's Global Warming Solutions Act (GWSA)<sup>3</sup> goals, to which the Mass Save program plays an integral part along with many other ongoing efforts to achieve these outcomes.<sup>4</sup> The 2025-2027 Plan

---

<sup>2</sup> See, G.L. c. 25, §21, G.L. c. 21N, §3B.

<sup>3</sup> St. 2008, c. 298.

<sup>4</sup> For example, based on the Clean Heat Commission Report, (<https://www.mass.gov/info-details/commission-on-clean-heat-issues-final-report>) EEA is working on the development of a Building

represents the first plan developed under the new statutory requirements to exclude spending on incentives and programs relating to new fossil fuel equipment, with limited exceptions.<sup>5</sup> The EEAC sees the 2025-2027 term as an opportunity for the PAs to be bold in their planning and present a 2025-2027 Plan that advances innovation and simplicity to support aggressive GHG emission and energy reduction goals aligned to achieve all cost-effective energy efficiency and demand reduction. These recommendations are designed to create opportunity for the 2025-2027 Plan to align with the Commonwealth's energy and GHG reduction goals through a strong focus on weatherization and electrification with expansion of heat pump targets and investment in market transformation and workforce development. These recommendations also direct a strong commitment and investment to advance more equitable outcomes through programmatic changes to increase participation by historically underserved populations, including renters/landlords, moderate-income customers, English-isolated customers, and small businesses, and to increase the diversity of the clean energy workforce.

Below is a summary of the directional outcomes the EEAC expects the PAs to include in the 2025-2027 Plan by topic area, followed by the full list of EEAC recommendations. The EEAC expects that the March draft of the 2025-2027 Plan will contain sufficient detail in the narrative, benefit-cost models, and data tables, to allow the Council to evaluate how the PAs have incorporated the recommendations provided below. Additionally, the EEAC expects the draft 2025-2027 Plan to clearly illustrate how the PAs propose to achieve the necessary GHG reductions, with sensitivity to budget and ratepayer impacts.

## **CROSS-CUTTING RECOMMENDATIONS**

The EEAC recognizes that the numeric targets included in these recommendations may be further refined to reflect input from the forthcoming PA potential studies and the EEA Secretary's GHG goals. Further, the EEAC expects the PAs to fully implement all these recommendations, balancing the 2025-2027 Plan investments to achieve desired outcomes, while minimizing administrative costs and ratepayer impacts.

## **COMMERCIAL & INDUSTRIAL SECTOR RECOMMENDATIONS**

Informed by recent underperformance in the C&I sector, the EEAC advances a suite of recommendations to assist the PAs in developing plans that should serve to increase participation by C&I customers in the Mass Save programs, through a comprehensive and supported delivery approach. For medium and large C&I customers, the EEAC recommends enhancing program engagement by providing a full-service approach designed to meet customers where they are in their existing facilities and guide them through a process that takes them from near-term energy optimization savings to deeper savings as

---

Decarbonization Clearinghouse (BDC) to support the Commonwealth's decarbonization objectives. The EEAC recognizes that during the 2025-2027 term the PAs may be required to interface and coordinate with the BDC.

<sup>5</sup> G.L. c. 25, § 21, as amended by St. 2022, c. 179, § 26.

they prepare to transition to clean energy sources. Critical to this work is program support for a customer's development of existing building commissioning reports, to lay the foundation for comprehensive energy efficiency work, expanding account and project management services, and data collection to inform program design and drive projects. For small businesses, the focus is on simplifying the journey by providing comprehensive assessments, coupled with "easy to understand" material that help a small business to understand opportunities and make investment decisions. Further, the EEAC recommends providing increased access to weatherization and electrification measures through expanded marketing and outreach for the small business turnkey offer.

## **RESIDENTIAL SECTOR RECOMMENDATIONS**

The new statutory requirement to eliminate most fossil fuel incentives provides the PAs the opportunity to streamline Mass Save to focus its programs on weatherization and electrification in the residential sector.<sup>6</sup> The comprehensive group of recommendations again emphasizes the simplification of the customer journey from intake to adoption of the Mass Save recommendations. This may include transformation of Home Energy Assessments into decarbonization plans - to help guide customers as they transition to a clean energy future. It also may include support for instant rebates, a reduction in "steps" to participate, and improved customer support. Further, the EEAC recommends efforts to support a "one stop" approach, through bundled services and the pairing of weatherization with any heat pump installations. To manage costs, the EEAC recommends a comprehensive review of incentives, to ensure right-sizing and program design that is appropriate to achieve robust program participation. The EEAC also advances recommendations to support the collection of data and tracking to assess program achievements, and the sharing of this data with stakeholders and community partners to the extent possible under the law.

## **INCOME-ELIGIBLE SECTOR RECOMMENDATIONS**

The income-eligible sector program is evolving to meet the needs of its customers and to achieve program goals. The PAs' proposed addition of a statewide client services center for the 2022-2024 term is integral to support the EEAC's recommendation to expand outreach. Specifically, the EEAC recommends the PAs adopt an increased marketing and outreach effort to capture more income eligible customers to enroll in the utility discount rate and to provide comprehensive energy efficiency services. The EEAC recommends using both area median income (AMI) and state median income (SMI) whichever is higher, to allow for more participation, as well as a simplified income verification process to the extent possible. In addition, the EEAC maintains that there are opportunities to simplify the income-eligible

---

<sup>6</sup> The Residential Sector includes both market-rate and moderate-income (household income between 61%-80% AMI/SMI) customers. The residential recommendations, however, generally focus on the market-rate customer, while the equity recommendations contain specific recommendations for the moderate-income customer.

customer journey and the current delivery models to maximize participation. The EEAC recommends the continued participation of home performance contractors and advances other recommendations to improve program delivery and maximize cost efficiencies. The EEAC is also mindful of potential increases to a customer's energy burden associated with replacing gas heating systems with heat pumps and recommends a focus on the weatherization and electrification of customers with delivered fuel and electric resistance heat. Lastly, the EEAC supports expanded data collection and reporting to assist the Council and stakeholders in assessing program achievements.

## **ACTIVE DEMAND MANAGEMENT RECOMMENDATIONS**

The focus of the EEAC recommendations for active demand management (ADM) centers around expanding the existing direct load-control and curtailment offerings, and preparing for future ADM activities with the planned deployment of advanced metering infrastructure across the state.

## **WORKFORCE DEVELOPMENT RECOMMENDATIONS**

In short, the currently available workforce will not be sufficient to achieve the recommended outcomes for the 2025-2027 Plan. The EEAC recognizes that workforce development is a process that takes time and requires strategic partnerships and coordinated efforts. To this end, the EEAC recognizes the PAs current efforts and recommends continued collaboration with the Massachusetts Clean Energy Center (MassCEC) and other external stakeholders to ensure Mass Save's workforce needs are met, including the establishment of a diverse workforce by increasing investment in and engagement of youth from environmental justice (EJ) communities to provide for a clean energy career.

## **EQUITY RECOMMENDATIONS**

The guiding principles informing the equity recommendations include: 1) simplifying the customer journey, 2) energizing and resourcing our community partners, and 3) working toward distributive justice. Through this lens the EWG developed a comprehensive set of recommendations to improve program access and participation by historically underserved populations.<sup>7</sup> The equity recommendations include strategies to increase participation and access, by simplifying the income qualification processes, including "automatic" qualification based on geography, for offers that provide no-cost weatherization, electrification, and supported project facilitation services to assist customer participation. The equity recommendations seek to ensure that customers with high energy burdens are eligible for these offers, by basing income-qualification limits on area median income (AMI) where that is higher than state median

---

<sup>7</sup> The EWG's focus is on the populations identified in the Residential and the Commercial and Industrial Small Business Nonparticipant Studies completed in 2020, i.e., moderate-income households, renter households, limited English-speaking households, and microbusinesses. Residential: [https://ma-eeac.org/wp-content/uploads/MA19X06-B-RESNONPART\\_Report\\_FINAL\\_v20200228.pdf](https://ma-eeac.org/wp-content/uploads/MA19X06-B-RESNONPART_Report_FINAL_v20200228.pdf) Commercial & Industrial: [https://ma-eeac.org/wp-content/uploads/Final-MA19X11\\_B\\_SBNONPART-Report-20200415-1.pdf](https://ma-eeac.org/wp-content/uploads/Final-MA19X11_B_SBNONPART-Report-20200415-1.pdf)

income (SMI). The existing Community First Partnership (CFP) program is viewed as a key strategy for achieving measurable improvements in the equitable delivery of the Mass Save program. The equity recommendations include additional support, resources, and flexibility for CFPs, with an additional effort to increase participation in the CFP program by EJ communities. The suite of recommendations also includes the provision of end-to-end language support, “instant” payment for rebates and other strategies to minimize out-of-pocket expenses for customers, “bundled services” to simplify the customer journey and manage program costs, and concierge services for small/micro businesses. Further, the equity efforts should include budgets sufficient to both implement the equity recommendations and work toward distributive justice, including a proportionally high investment in underserved populations. Finally, these recommendations seek to maintain the alignment of performance incentives with the equity recommendations, and sufficient data to measure progress.

---

#### **EEAC RECOMMENDATIONS FOR THE 2025-2027 PLAN:**

## **CROSS CUTTING RECOMMENDATIONS**

### **I. Numeric Targets**

**A. Various numeric targets/requirements (included in many of the recommendations as placeholders) will be updated to reflect input from the Program Administrators Potential Studies, the AESC Report and the EEA Secretary’s GHG goals for the 2025-2027 Term.**

### **II. Implementation**

**A. The PAs should implement all recommendations to the fullest extent possible.**

### **III. Incentives**

**A. All incentives for energy efficiency measures be reviewed to ensure right sizing (including for heat pumps and for multi-family buildings) to achieve the desired outcomes.**

### **IV. Building Decarbonization Clearinghouse (BCD)**

**A. Once established, the Program Administrators should interface and coordinate with the BDC as necessary.**

### **V. Data Reporting**

**A. In Quarterly Reports, report each initiative’s cumulative performance relative to planned values for that initiative. When an initiative is more than 20% below goal, provide monthly updates to the Council concerning steps being taken to increase performance and pipeline estimates until the initiative is delivering cumulative savings/benefits of at least 85% of goal for the plan period to date. (This is a cross-cutting recommendation – residential, income eligible, C&I and equity).**

## **COMMERCIAL & INDUSTRIAL SECTOR RECOMMENDATIONS**

## I. Recommendations Applicable to All C&I Segments

### A. Expand and enhance electrification offerings to all C&I customers including:

1. Electrify 60% of delivered fuel C&I customers, targeting 70% of delivered fuel electrification projects completed in 2027 to be full conversions.
  - a. Support PA-led customer marketing modeled on the Main Streets initiatives coupled with a “Cash for Clunkers” marketing strategy to businesses with delivered fuels.
  - b. Work with delivered fuel vendors to expand their businesses<sup>11</sup> to include promoting, installing and servicing heat pumps, weatherization and Dedicated Outdoor Air Systems (DOAS). Provide incentives to fuel dealers to engage customers in fuel conversions, helping their customers comply with the Clean Heat Standard.
  - c. Develop standard packages of measures like those recommended in ECMs 1 & 4 in the MA Building Sector Technical Report on Decarbonization with a standard specification template and simplified analyses to streamline project delivery.
  - d. Maximize full conversion projects to minimize lost opportunities in these facilities.
2. Build on the success of marketing heat pumps to gas customers by electrifying 20% of gas customers who are program participants by 2027 and rapidly expanding installations that include full heating system conversions, DOAS and envelope improvements targeting 50% of electrification projects to include full conversions with weatherization in the next plan.
  - a. Revamp gas HP offers to make weatherization a precursor (previously or concurrently) to receive HP incentives to increase comfort and reduce costs.
3. Develop customer facing information to enable them to easily understand ventilation deficiencies, the benefits of code compliant ventilation and the costs likely associated with increased ventilation levels. Make this information non-technical and graphic in nature.
4. Allow baseline energy use to reflect code compliant ventilation levels in buildings that are under ventilated prior to receiving program services. (This recommendation is cross-cutting affecting residential, income eligible and C&I customers.)

### B. Expand and enhance account management models to improve support and follow-through as customers consider and implement energy efficiency and electrification upgrades over time.

1. For medium and large customers ensure there are adequate numbers of trained account managers to truly engage with and support customers over the lifecycle of their projects. Enhance coordination between account managers and PA engineering staff to smooth communication and project advancement.
2. For small businesses engage vendors in the account management model. Include shared access to accounts via account management software, vendor training, collaborative working groups that include customers, account managers and technical staff focused on advancing the customer’s interests with the lowest impact on the customers. Establish a process for supporting customers who are undertaking program-supported projects independently of the turnkey vendors. If providing account managers for all customers, consider a pilot.
3. For all customers: Ensure account managers have the tools to track both projects in progress and identified opportunities that remain unimplemented to support customer progress on their energy efficiency and electrification journey.
4. Ensure for all customers, only one Account Manager is assigned per customer as the resource for all questions, covering both PAs, if applicable.

**C. The Program Administrators should continue to participate in the Commercial and Industrial Working Group (CIWG) and use the CIWG as a resource to provide input on C&I program design, delivery and implementation.**

**II. Recommendations for Medium and Large C&I Segment**

**A. Lay the Foundation for Medium and Large Customer Energy Transitions: capture near-term efficiency and capital improvements through existing building commissioning (EBCx), develop plans for transitioning facilities off fossil fuel over time and support deep energy retrofits.**

1. Undertake a high-volume existing building commissioning offer that provides EBCx studies to 2,200 medium and large customers by 2027 and implementation of measures for at least 1,200 customers. Studies should address priority end uses including HVAC, envelope and process loads (data, compressed air, refrigeration, water heating, cooking, etc.) and identify capital improvement opportunities as well as low/no-cost measures.
  - a. Address the first cost barrier to stimulate the market and increase volume. Cover the full cost of EBCx studies for *qualifying* customers, with a customer commitment to incorporate measures up to a preset investment threshold. Alternatively, provide up-front partial payment of EBCx study cost until completion of some % of EBCx recommendations [This alternative recommendation is supported by Councilors Rose, Mahony, Abbe, Murray, and Winner, Manning]
  - b. Streamline and systematize processes, incorporating approaches that are proven to accelerate existing building commissioning in other states, including:
    - i. Use the terms “Existing Building Commissioning” and “Monitoring Based Commissioning” to build market knowledge and understanding of the services rather than creating new terms that only exist in the MA EE portfolio.
    - ii. Use a list of prequalified EBCx providers and work with customers to identify the providers best suited to commission their facilities.
    - iii. Develop a transparent project and customer qualification process that screens for customers with good EBCx savings potential.
    - iv. Provide a standard RFP with prescribed scope of services to enable providers to know what is expected and to streamline the process for customers. Ensure the scope of services includes:
      - a. rigorous investigation of all relevant end-uses including HVAC systems and controls, building envelope, lighting controls and process loads (data, refrigeration, compressed air and plug loads.
      - b. Identification of no and low-cost measures as well as capital measures which require a longer development horizon.
    - v. Provide standard analysis tools and report templates to providers and train them on their use.
    - vi. Streamline program requirements and review times to enable faster turnaround of projects and achievement of savings.
      - a. Incorporate additional customer incentives for instrumentation to collect data and post installation EBCx provider engagement to increase measure persistence, improve cost effectiveness and GHG contributions, and identify new opportunities.
      - b. Prioritize timing and consistency. Invest in enhancements now with roll out no later than the start of the next plan. Incorporate some changes, such as longer term Cx engagement, immediately to drive up measure lives.
      - c. Plan for early evaluation to capture improvements, identify additional opportunities and guide continuous improvement as well as increased savings.



2. Facilitate Customer Facility Decarbonization Planning by developing and publishing a guide focused on helping customers plan for reducing energy consumption and electrifying buildings and central plants over time. Use the guide to explore the planning process with customers, set customer goals, identify key players and describe the data and decisions needed to inform the plan. Use a process similar to that used for the New Construction Program design charettes to support customers and their teams in setting goals and defining the planning process. Help customers identify qualified service providers who can work with customers to develop plans. Compile and share relevant existing energy efficiency and commissioning studies and energy use data pertaining to the customer site(s) to inform the plan. Once customer Facility Decarbonization Plans are complete, compile and track site data, plans and trigger events in a database to support the customer in implementing planned investments and reporting on progress.
3. Expand access to Deep Energy Retrofits by allowing longer timelines based on customer investment plans and including projects that can achieve the GHG reduction goals prior to electrification.

### **III. Small Business C&I Segment**

#### **A. Expand and increase participation, comprehensiveness and effectiveness of measures for the Small Business Turnkey offering.**

1. Increase the volume of Small Business Assessments – complete comprehensive assessments for at least 21,000 Small Business Customers in the Plan period.
  - a. Update marketing strategy and program uptake process. Develop and implement a customer relationship management (CRM) process for tracking and converting customers that are funneled from Main Streets and Mass Save website touches to program participation.
  - b. Examine ways to segment marketing and outreach into small business verticals (dry cleaners, Corner store, 3 story office, restaurant, etc.)
2. Redesign energy assessments to engage, inform and drive customer action. Ensure that assessments are comprehensive and that materials are written for non-technical decision makers to easily understand opportunities and make investment decisions.
  - a. Ensure that assessments:
    - i. Address all fuels in a single report.
    - ii. Include opportunities to electrify heating and other end uses (including savings and incentives for heat pumps for heating/cooling and hot water, and for electric cooking appliances)
    - iii. Address opportunities for all end uses.
  - b. Provide easy to understand and more visual information to customers clearly identifying energy savings opportunities and how to access them.
  - c. Standardize assessment formats and supporting analysis tools statewide to ensure that customers receive consistent quality information regardless of the vendor or PA serving them, including 3<sup>rd</sup> party energy service vendors of Small Business Customers choice.
  - d. Capture information in a database so assessment results can be easily accessed by both PAs and customers and analyzed for program trends and follow-up opportunities. Engage and encourage vendors and Community First Partners in account management to provide follow through, ensuring measures are tracked and pursued overtime as customers budgets and time allow. Consider adding other 3<sup>rd</sup> party vendors used by Small Business Customers.
  - e. Make the standardized assessment format and analysis tools available to the market. Train vendors providing services through the Customer Directed Option (CDO) in the use of the

assessment tools to increase the diversity of providers able to deliver services to Small Businesses.

- f. Provide assessments in the native language of business owners for whom English is not their primary language.
3. Improve the marketing and customer support to better service small businesses.
  - a. Update marketing strategy to include a customer relationship management (CRM) process whereby customers who enter the process online have the opportunity for immediate benefits and that customer and PA-specific information are collected overtime in exchange for the benefits that the customer is receiving.
  - b. Track and establish a clear pathway for converting customers that are funneled from Main Streets, Community-Based Organizations, and other 3<sup>rd</sup> parties and Mass Save website touches to program participation.
  - c. Incorporate project facilitation services drawing on resources of the Community First Partners, vendors and other organizations to assist small business customers in understanding and undertaking energy efficiency projects over time.
4. Consistently include high quality and comprehensive weatherization in assessments and projects.
  - a. Ensure the full costs of undertaking quality weatherization projects are understood and reflected in the program's cost and reimbursement structures.
    - i. Work with weatherization service providers to develop reasonable cost ranges for common measures.
  - b. Increase the frequency and rigor of weatherization quality assurance to support continuous improvement of Weatherization.
    - i. Establish and publish weatherization performance metrics. Assess vendors against the metrics and report to the Council on inspection rates and vendor performance.
    - ii. Assess performance of each vendor/contactor at a 100% rate for their first ten projects. If projects are satisfactory, reduce inspection rates to 10-20%. If issues are identified, maintain 100% until ten satisfactory projects are observed, then reduce inspection rates.
5. Develop and use existing tools to support renters and engage landlords to overcome the split-incentive barrier.
  - a. Broadly promote energy aligned lease language and work with landlords and tenants to increase understanding and adoption of this valuable tool to support both tenants and landlords in investing in energy efficiency and enabling the investing party to reap the financial benefits of that investment.

**B. Complete a process evaluation of the small business Turnkey offering to be completed no later than July 2026.**

1. Compare vendor performance in delivering comprehensive assessments and of converting such assessments to comprehensive projects.
2. Compare processes and success rates across PAs to identify best practices and opportunities for improvement.
3. Examine how customers are tracked and responded to throughout the process Including pathways for customers to communicate challenges with project implementation, prior to project completion *and how customers who don't pursue all available measures at one time are tracked through the process and supported in undertaking projects over time.*
4. Investigate and report the needs of micro-businesses, renters and businesses operating in EJ communities and assess how the programs are meeting those needs, identifying opportunities for improvement. In particular, focus on financial and customer staff

capacity barriers and how effective the program is at addressing those barriers. Suggest improvements.

5. Identify opportunities for co-delivery of services to Small Business customers to provide more complete access to the full suite of GHG reduction opportunities including renewable generation, energy storage solutions and charging stations.
6. Assess the available financing tools, whether financial information is effectively conveyed to business customers and how well the offered financing and information meets customer needs.

#### **IV. Track, Use and Share Data**

##### **A. Develop the data and information systems necessary to understand, facilitate and track customer systems, plans and projects over time.**

1. Record, share (within privacy constraints) and store information on existing buildings, systems, energy efficiency opportunities, trigger events and long-term plans in database accessible to both the customer and the PAs enabling coordination on timely implementation of energy efficiency upgrades and decarbonization plans.
2. Coordinate with DOER and Building Decarbonization Clearinghouse, once and if authorized, on the structure of the database, to ensure information is usable, useful and accessible as a statewide, municipal and customer resource. Quarterly data should be available to be sliced by type of customer, location of customer and fuel type of customer, at a minimum.
3. Use publicly available EUI data from energy usage reporting databases and AMI data to identify and target high energy use customers for audits and energy planning, and report on the effort.
4. Implement Customer Relationship Management (CRM) software to track customers from initial contact through to project completion.

##### **B. Provide C&I measure spreadsheets quarterly.**

1. Accurately track and report quantities and sizes of equipment supported by the program.
2. Track participation pathways via a new delivery channel field so that custom prescriptive and midstream are tracked as a field that can be queried. Having the word “custom” in the measure name is insufficient.

##### **C. Track electrification measures associated with Small Business Turnkey projects so that they can be claimed as electrification and recognized as part of the Turnkey program delivery.**

## **RESIDENTIAL SECTOR RECOMMENDATIONS**

### **I. Accelerate GHG Reductions and Transition Away from Fossil Fuel Incentives**

#### **A. Launch with the start of the 2025 plan year revised New Homes and Renovations and Additions offerings that promote and incentivize electrification and above code performance.**

1. Implement recommendations and address considerations in the RNC Electrification Barriers EM&V study and the forthcoming Renovations and Additions Process Evaluation
2. Develop and implement outreach strategies to transition builders of propane and gas heated homes to electric homes.
3. Ensure multifamily offers, including for Passive House, continue to advance electrification and other greenhouse gas reduction measures.
4. Promote and support Specialized Code adoption for new construction.

5. For renovations and additions, provide a decarbonization audit as appropriate to identify and promote electrification opportunities. Develop a participation path and incentive structure that explicitly promotes electrification.
  6. Promote demand enabled equipment where cost effective and support the installation of battery storage and PVs in both new homes and in renovations and additions.
- B. Increase significantly weatherization production by building production for Home Energy Assessments, increasing weatherization conversions, and increasing incentives for certain heat pump customers.**
1. In addition, require HEA & weatherization (as necessary) for all market rate recipients of full or partial heat pumps [This recommendation is supported by Councilors Rose, Rio, Manning, Villanueva, Johnson, Lusardi, Wambui, Winner, Jacobson by proxy, and Mahony]
  2. Consider providing no-cost weatherization for customers installing partial or full displacement heat pumps.
  3. Achieve year over year increasing weatherization unit goals, e.g., 55,000/2025, 60,000/2026 and 70,000/2027, necessary to support the achievement of energy efficiency and GHG emissions reductions as required under the Plan by adopting the strategies incorporated in these recommendations.
  4. Improve customer facing information about what to expect with an HEA.
  5. Review and revise as needed how virtual HEAs are structured and supported to increase uptake.
  6. Establish a pathway and incentives for home energy assessments within a reasonable time of property sale.
  7. Provide pricing for HEAs and weatherization measures that is adequate to ensure a supply of contractors to deliver them.
  8. Implement alternative models for delivering HEAs and insulation that utilize HPIN contractors as the customer's entry point.
- C. Redesign the Home Energy Assessment to identify decarbonization opportunities.**
1. Develop and deploy a no-cost decarbonization audit, leveraging learnings from Mass CEC's Decarbonization Pathways Pilot
  2. Test tiered audit offerings for traditional EE and renewable/decarbonization services
- D. Increase the number of heat pump and heat pump water heater installations in the 2025-2027 Plan to make necessary progress toward achieving 2030 goals of the Clean Energy and Climate Plan.**
1. Achieve the following initially recommended heat pump installation goals (measured in housing units), either displacing electric resistance or fossil fuel heating, with the percentage that are full displacement noted parenthetically with numbers to be further refined by the Secretary's GHG goals, AESC results, and potential study results as well as consideration for budget implications: 2025: 35,000- 45,000 (75%) 2026: 50,000 - 60,000 (80%) and 2027: 70,000 - 80,000 (90%)
  2. To achieve these goals, implement targeting strategies for electrification and heat pump deployment, by customer and building type.
  3. Redesign the program offer for water heating. Expand eligible decarbonization measures and increase unit production to meet increased program and decarbonization goals: 2025: 14,000 - 17,000, 2026: 23,000 - 28,000, and 2027: 35,000 - 45,000.
  4. Implement other cost control measures, including assessing revisions (such as sliding scale interest rates) to the HEAT Loan and providing public information about heat pump installation costs. PAs should pursue heat pump purchasing agreements with manufacturers or supply houses.
  5. Implement a Multifamily Deep Energy Retrofit demonstration.
- E. Implement additional strategies to ensure heat pump installations are paired with weatherization.**

1. Create a higher tier or tiers for Heat Pump Installer Network (HPIN) contractors who also offer weatherization services and other decarbonization services such as PV installation, window installation, etc. either through their own employees or strategic partnerships.
  - a. Incentivize this tier. [This recommendation is supported by Councilor Johnson]
  - b. Provide rebates for heat pump replacements that are greater than 10 years old and require weatherization, if needed. [This recommendation is supported by Counselors Lusardi, Manning, Murray, Rio, Jacobsen (by proxy), and Winner]. Alternatively, provide rebates for heat pump replacements that are greater than 10 years old, if moving from a partial to a full displacement heat pump or receiving a more efficient full displacement heat pump than a previous full displacement heat pump. (This alternative is supported by Councilors Weber and, Villanueva,)
2. Support participation of disadvantaged business enterprises

## II. Simplify the Customer Experience from Intake to Installation

### A. Provide easy to understand and more visual information to customers to clearly identify energy savings opportunities and how to access them.

1. By Q1 2025, redesign the Mass Save website to enhance user experience and increase participation.
  - a. The Program Administrators should track and report improvements. [This recommendation is supported by Councilor Johnson]
2. Redesign the Mass Save Home Energy Evaluation Report, implementing the recommendations of the American Council for an Energy Efficiency Economy for improving residential energy assessment reports, including a home energy scorecard, and addressing the prior decarbonization audit recommendations; implement by Q1 2026
3. Increase priority of multifamily customers in all communication channels

### B. Streamline the residential programs through a redesign that reduces burdens on customers and facilitates increased participation.

1. Reduce number of steps in the customer's journey
  - a. Improve Customer Service/Call Center training and protocols to better direct customers' initial journey entry point.
2. Reduce requirements for service access, rebates, and loans.
3. Leverage available technology to better meet the customer where they are.
  - a. Provide instant rebates.
  - b. Develop a Mass Save app for scheduling services, applying for rebates, determining eligibility, etc.
4. Advance new models for co-delivery, especially for weatherization and heat pumps
5. Collect and assess information regarding when customers drop out and why and report the results to the Council on a bi-annual or some other appropriate frequency.

## III. Expand Data Availability and Management to Support Goal Setting and Performance Improvements

### A. Provide additional data to support advancement of program goals and program assessment by internal and external stakeholders.

1. Provide reporting of the following in the 2025-2027 Term (quarterly unless otherwise noted)
  - a. Time to serve for audits and weatherization jobs, both average and longest wait, by PA service territory.

- b. Separately report lead vendor vs. Home Performance Contractor activity for KPI #1 and for time to serve reporting.
  - c. Average total and per-ton installation costs for heat pumps
    - i. By fuel type displaced
    - ii. By full vs partial displacement
    - iii. By single family vs. multifamily
  - d. Pre-weatherization barriers by type (biannual)
    - i. % remediated by type
    - ii. Avg. remediation cost by type
  - e. Separate reporting for single family and multifamily units for new construction by fuel type
  - f. HEAs, weatherization jobs, and heat pumps by zip code (biannual)
2. Increase frequency of reporting for measures that are proportionally behind planned goals by more than 20 percent.
- B. Maintain and provide public access to all reported and other available data in a single electronic location.**
- C. Enhance accuracy of reported data**

## INCOME ELIGIBLE SECTOR RECOMMENDATIONS

- I. **Expand and Increase Marketing and Outreach, Customer Capture and Enrollment, and Service Delivery**
  - A. **Implement non-traditional, innovative, expansive, and flexible approaches to eligibility determination, marketing and outreach and enrollment to reach and facilitate enrollment of all income eligible customers.**
    1. Use Area Median Income (AMI) as well as State Median Income (SMI) (whichever is higher) for eligibility determination.
    2. Test alternative approaches to income verification that reduce administrative burden on customers while maintaining an appropriate level of accountability.
    3. Increase marketing and outreach resources for use by Community First Partners, increase flexibility for CFPs in general.
    4. Use innovative strategies (e.g., SMS text messaging) to expand digital marketing and outreach; exchange best practices between individual PAs.
    5. Establish quantitative metrics of success and report progress in achieving them.
  - B. **Streamline and simplify steps and processes for the customer at all steps of the customer journey to reduce burdens on low-income customers and maximize participation.**
    1. Develop and deploy best practices for customer service; update the Council on these and plans to monitor and report on progress in achieving them.
    2. The Low-Income Energy Affordability Network (LEAN), DOER, and the Executive Office of Housing and Livable Communities (which administers the Weatherization Assistance Program in MA) pursue opportunities to reduce administrative burden related to federal requirements on program staff, customers, and contractors while maximizing the impact of both federal and Mass Save funding.
    3. Assess and implement opportunities to reduce the number of visits to a customer's home/property.

4. Provide a single point of contact for the customer, coordinating as appropriate with the Decarbonization Clearinghouse

**C. Maximize the effectiveness and cost efficiency of service delivery.**

1. Concurrently, identify measures of success for recent enhancements (Statewide Client Services Center, Monday.com project management software, expansion of service delivery to Home Performance Contractors) and regularly report to Council on achievements and provide training to program staff and contractors to ensure they are well-equipped to provide information to customers on the program, incentives, and measures, especially for electrification measures.
2. Establish quality assurance and control metrics to ensure installation or performance issues are identified in a timely fashion, are corrected, and lessons learned are used to improve future performance; report quarterly to Council on results.
3. Identify opportunities to improve cost efficiency of IES program, including the reduction of administration, overhead, and profit from multiple vendors and contractors in the current delivery models; report biannually on progress to the Council.

**D. Ensure customers receive equitable and equivalent end-to-end service regardless of where they live, who serves them, or their demographic circumstances (race, ethnicity, language, documentation status, rent/own status, etc.).**

1. Ensure relevant equity recommendations of the Equity Working Group and Council are applied to the Income Eligible Sector
2. Conduct additional analysis regarding opportunities to improve access by and support for customer groups that are comparatively under-served; report annually to Council.
3. Develop a workforce development strategic plan for the IES program that emphasizes participation in EJ communities, leveraging the workforce development efforts in other Mass Save programs and coordinating with other Massachusetts agencies, particularly Massachusetts Clean Energy Center

**II. Accelerate Greenhouse Gas Reductions Through Expanded Weatherization and Electrification Efforts**

**A. Increase production for electrification measures as necessary to equitably meet the Commonwealth's greenhouse gas reduction goals.**

1. Comprehensively electrify electric resistance and delivered fuel customers, initial recommended heat pump unit goals are 5,000 units for 2025, 9,000 units for 2026, and 14,000 units for 2027 and heat pump water heater unit goals of 3,000 units for 2025, 5,000 units for 2026, and 8,000 units for 2027, pending results of the potential studies and Secretary's Greenhouse Gas Reduction goals
2. Develop targeting strategies for electrification and heat pump deployment, including these specific targets:
  - a. Prior weatherization participants
  - b. Electric resistance space heating customers
  - c. Customers heating with delivered fuels.
  - d. Specific building types that lend themselves to development of electrification templates
3. Develop protocols for customer focused electrification audits that include developing an "electrification implementation plan" for the customer/building, especially for multifamily buildings and projects.
4. Continue to fully prioritize customer education by developing and implementing a comprehensive set of audience appropriate materials.

- a. Materials should include information for both building owners/managers and building residents.
- 5. Expand and promote electrification offers, including as appropriate and cost appropriate to these measures:
  - a. 120-volt heat pump water heaters
  - b. Induction cooktops
  - c. Heat pump dryers
  - d. Air-to-water heat pumps
  - e. Ground source heat pumps
  - f. Window unit heat pumps
- 6. Plan and budget for appropriate numbers of electrical panel upgrades
- 7. Include specific goals and budgets for the Affordable Housing Deep Energy Retrofit offer in the 2025-2027 Plan.
- 8. Apply lessons learned from the Cape and Vineyard Electrification Offer to provide an integrated offer combining electrification with onsite PVs and battery storage; explore other models for strategic partnerships that combine technologies to facilitate electrification and GHG reduction and to mitigate potentially higher operating costs.
- 9. Explore coordination between EOHLC and DOER to adjust utility allowances in deed-restricted affordable housing to better accommodate multifamily electrification projects and ensure tenants don't experience undue cost burdens.

**B. Require any necessary weatherization in Income Eligible Services Program understanding that weatherization is necessary to the achievement of the greenhouse gas reduction goals.**

- 1. Increase the number of weatherization jobs by 5-10% annually in the 2025-2027 Plan.
- 2. Assess, and incorporate as appropriate, integration of advanced duct sealing and energy/heat recovery ventilation into weatherization offers.

**C. Provide support for new gas, oil, and propane measures only as may be necessary, while also strategically pursuing gas to electric heat pump conversions.**

- 1. Develop a protocol to proactively manage anticipated emergency replacement and early retirement situations to minimize installations of new fossil fuel measures.
- 2. Determine and deploy appropriate approaches to electrification of gas heated homes while accounting for higher operating costs based on current fuel prices.

**III. Expand Data Availability and Management to Support Goal Setting and Performance Improvements**

**A. Expand data availability to support goal setting and targeted outreach.**

- 1. Increase availability of data to municipal and community partners working to enroll customers in Mass Save; if necessary, develop data sharing agreements to address any privacy concerns.

**B. Provide additional and timely data to support program assessment by internal and external stakeholders.**

- 1. Provide reporting of the following in the 2025-2027 Term
  - a. Time to service information for audits, for weatherization, and for heating systems (separately for single family and multifamily) as statewide average monthly in data dashboard and by CAP service area in quarterly reporting.
  - b. Quantities of deferrals by category in quarterly reports



- c. Establish tracking mechanisms to support reporting by multifamily housing type including public housing, subsidized affordable housing, and naturally occurring affordable housing.
- d. Proactively address opportunities related to improving services to low-income customers and programs in EM&V activities

**C. Establish and maintain electronic/computerized data management systems to accomplish above guiding principles and recommendations.**

- 1. LEAN and the Executive Office of Housing and Livable Communities should continue to explore opportunities for data sharing to support further opportunities for streamlined delivery and cost efficiencies.

**IV. Ensure Adequate Budgets to Achieve Priorities in an Equitable and Balanced Manner**

**A. Provide the necessary Electric and Gas budgets to serve comprehensively 15% more low-income customers than in the 2022-2024 Term and that will meet the electrification and other goals noted herein.**

- 1. Identify and pursue cost reduction strategies for electrification measures, such as bulk purchasing.
- 2. Continue to pursue funding outside of Mass Save funding streams to provide low-income customers with energy efficiency and decarbonization measures and services

## ACTIVE DEMAND MANAGEMENT RECOMMENDATIONS

**I. Expand Enrollment in Existing Direct Load Control and Curtailment Offerings**

- A. For the Residential sector, the PAs ensure increased thermostat enrollment and battery storage enrollment, with targets of 5% annual growth in thermostat enrollment and 10% annual growth in battery storage enrollment Participants in EJsCs should receive enhanced incentives for participation.**
- B. For income eligible customers the PAs should look to take advantage of programs that deliver equipment eligible for participation to drive ADM enrollment and should consider providing higher incentives for those customers. Income eligible participation in ADM initiatives should target 10% annual growth.**
- C. For the C&I sector, increasing tech neutral curtailment capacity and increasing storage enrollment should be a priority, with targets of 10% annual growth for tech neutral curtailment enrollment and 15% annual growth for battery storage enrollment.**

**II. Prepare for Future ADM Opportunities including Advanced Metering Infrastructure (AMI)**

- A. Run demonstrations of all AMI integrated demand management programs in the next plan, with priority being a pay-for-performance Residential behavior program. In designing demonstration consider how to get representation from all customer classes.**
- B. Offer enhanced incentives for any connected device that could be enrolled in future ADM efforts, whether currently cost-effective or not.**

**III. Continue to Explore Opportunities for New Offerings such as Gas Demand Management and Winter Electric Demand Management**

- A. Work with EEA and ISO-NE to determine appropriate cost-effective strategies for gas & winter electric demand management. If any novel program designs are identified the PA should seek to implement a demonstration program in the next plan.**

## WORKFORCE DEVELOPMENT RECOMMENDATIONS

**I. Enhance Coordination with MassCEC to Ensure Mass Save's Workforce Development Needs for Workforce Capacity, Skills Training, and Diversity are Met.**

- A. **Collaboratively define and project needs for the Mass Save workforce in key fields such as HVAC system design, construction and commissioning and building envelope assessment and implementation of weatherization.**
- B. **Establish a centralized Mass Save position for a Workforce Liaison who coordinates workforce development activities with MassCEC.**
  - 1. The Liaison should document training needs, map actual trainings to those needs and the number of attendees attending.
  - 2. They should work with MassCEC to ensure that the systems necessary to support job placement exist.
  - 3. The Liaison should verify that workforce development and offerings meet diversity and EJ objectives, and that training is being conducted in multiple languages to ensure non-English speakers are able to participate.
  - 4. The Liaison should ensure that Commonwealth retraining programs engage fuel suppliers in retooling their services to include electrification, weatherization (Wx), dedicated outdoor air systems (DOAS), energy storage and renewable energy.
  - 5. Provide a quarterly update to the Council documenting progress at the state level including data that links efforts of MassCEC with outcomes for Mass Save workforce.
- II. **Provide additional investments to increase CEP engagement with youth from EJ communities to develop the skills necessary to enable their employment in the energy efficiency industry.**
  - A. **Incorporate recommendations from the CEP evaluation paying particular attention to the recommendations regarding development of “crew chief workforce” in the HVAC and weatherization industries, providing CEI training to business partners, facilitating business partner discussions regarding lessons learned regarding supporting and retaining a diverse workforce and providing additional compensation to CBOs for wrap around services to support interns from recruitment through job placement as well as compensation to business partners for time spent participating in training.**
  - B. **Work with CBOs to identify barriers to diversity in HVAC worker training and recruitment and identify ways to overcome those barriers.**
- III. **Substantially increase financial support for technical training for providers of Existing Building Commissioning (EBCx), commercial building weatherization assessment and implementation, Building Science, more complex electrification and deep energy retrofit services. Opportunities:**
  - A. **Integrate adult learning best practice which includes hands on training in the field.**
  - B. **Address a wide range of providers including design professionals.**
- IV. **Further increase the diversity of the providers supporting Mass Save**
  - A. **Award 15% of dollar volume of direct Mass Save contracts to M/WBEs for the 2025-2027 Term.**
  - B. **Establish a diversity tracking and reporting framework for other customer contracted service providers including determining a baseline by fall of 2026.**
  - C. **Conduct workforce diversity education and outreach activities in terms that prioritize their needs and enable them to successfully provide services incentivized by Mass Save. Ensure education and outreach providers have the knowledge of M/WBEs and the expertise to support this work.**
  - D. **Inventory availability of diverse service providers in EJ municipalities and develop a plan to fill gaps.**

- E. Create a contractor development pathway to build the capacity of M/WBE firms to participate in Mass Save and to build wealth for disadvantaged individuals, businesses, and communities.

## EQUITY RECOMMENDATIONS

### I. GEOGRAPHY-BASED OFFERS FOR RENTAL PROPERTIES AND MODERATE-INCOME CUSTOMERS

#### Offer and Recommendations That Apply Within To-Be-Determined Geographic Area(s)

| Property type                      | Eligibility process   | 100% Wx incentive | Expanded funding for pre-Wx barrier mitigation | 100% Heat pump             | 100% Panel upgrade | 100% Targeted air sealing | 100% Window                                      | Services to reduce customer time and effort   | Other/appliance  |
|------------------------------------|---|-------------------|--|----------------------------|--------------------|---------------------------|--|---|--|
| Rental property-Wx only            | Automatic   | Yes               | Yes  | N/A                        | N/A                | N/A                       | N/A  | Support services (project facilitation similar to a general contractor, heat pump coaching) | Increased rebate for efficient electric appliances, including induction stoves |
| Rental that wants to electrify     | Automatic   |                   |  | Yes (case by case for gas) | Yes                | Yes*                      | Single to triple pane. Consider double to triple | Support services (project facilitation similar to a general contractor, heat pump coaching) | Same as above, plus an added bonus amount for induction stoves                 |
| Non-rental-Wx only                 | Automatic   | Yes               | Yes  | N/A                        | N/A                | N/A                       | N/A  | Support services (project facilitation similar to a general contractor, heat pump coaching) | Increased rebate for efficient electric appliances, including induction stoves |
| Non-rental that wants to electrify | Some kind of income verification (simplified or current PA process) |                   |  | Yes (case by case for gas) | Yes                | Yes*                      | Single to triple pane. Consider double to triple | Help with income verification plus support services   | Same as above, plus an added bonus amount for induction stoves                 |

Wx=weatherization

\*Note: it is assumed that properties that want to electrify & receive the enhanced electrification incentives would also weatherize, and that funding for targeted air sealing would be part of that.

#### A. Develop and implement a residential offer, in select geographic areas, to provide rental properties with an offer that includes automatic qualification for measures as depicted in the chart above, including the following:

1. 100% cost coverage for weatherization
2. An expansion of and/or increase in funding for pre-weatherization barriers as appropriate.
3. 100% cost coverage for heat pumps and for pre-electrification barriers (e.g., electrical panel upgrades)

The EEAC recognizes that utility costs may increase when heat pumps are installed, and that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE) and/or “cost-shifting” when central fossil fuel systems are converted to heat pumps on individual tenant meters. Refer to Foundational Principle II.C. below for a recommendation to address this issue.

4. Increased rebates for efficient electric appliances, including induction stoves.
5. Where properties electrify, an increased rebate for induction stoves.

**B. Develop and implement a residential offer, in select geographic areas, to provide non-rental properties with an offer that includes qualification mechanisms and measures as depicted in the chart above, including the following:**

1. Automatic qualification for:
  - a. 100% cost coverage for Weatherization
  - b. An expansion of and/or increase in funding for pre-Weatherization barriers as appropriate.
  - c. Increased rebates for efficient electric appliances, including induction stoves.
2. Qualification based on income:
  - a. 100% cost coverage for heat pumps and pre-electrification barriers

The EEAC recognizes that utility costs may increase when heat pumps are installed, and that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE). Refer to Foundational Principle II.C. below for the recommendation to address this issue.

- b. For properties that electrify, an increased rebate for induction stoves.

**C. By January 15, 2024, the Mass Save Program Administrators and DOER, with input from the EWG, will determine geographic areas in which to provide the offers described in I.A. and I. B. above. In designating such areas, the following types of factors will be considered:**

1. Average or median income level of residents
2. The historical level of Mass Save investment in the area.
3. Whether or not the area is a Gateway City as defined by M.G.L.ch. 23A section 3A
4. Average education level of residents
5. Minority status of residents
6. The extent to which residents are English-isolated.
7. The percent of primary residences relative to the percent of “second homes” in the area
8. Minimizing “free ridership” to the appropriate extent, keeping in mind the goal of distributive justice (increasing investment in areas that have been historically under-invested in)
9. Include an appropriate method of limiting luxury and/or newer rental property participation to prevent receipt of enhanced rebates, incentives, or services to market rate customers.
10. Consider First Street Foundation’s Flood Factor<sup>10</sup>, provided it remains publicly available, based on simply address.
11. Impact on the Mass Save residential budget.
12. Ease of implementation, including, for example, messaging or impact on the rebate or incentive delivery process

## Offer and Recommendations That Apply To Moderate Income Customers Outside The To-Be-Determined Geographic Areas

Moderate income customers are households whose income is between 61% and 80% (inclusive) of state median income (SMI) or area median income (AMI), whichever allows for greater participation.

| Upgrade outcome                    | Eligibility process   | 100% Wx incentive | Expanded funding for pre-Wx barrier mitigation | 100% Heat pump             | 100% Panel upgrade | 100% Targeted air sealing | 100% window                                      | Services to reduce customer time/effort  | Other appliance  |
|------------------------------------|---|-------------------|--|----------------------------|--------------------|---------------------------|--|--|--|
| <b>Wx only</b>                     | Some kind of income verification (simplified or current PA process)** | Yes               | Yes  | N/A                        | N/A                | N/A                       | N/A  | Help with income verification.<br>Support services (project facilitation similar to a general contractor, heat pump coaching), | Increased rebate for efficient electric appliances, including induction stoves |
| <b>Electrification /heat pumps</b> | Some kind of income verification (simplified or current PA process)   |                   |  | Yes (case by case for gas) | Yes                | Yes*                      | Single to triple pane. Consider double to triple | Help with income verification.<br>Support services (project facilitation similar to a general contractor, heat pump coaching), | Same as above, plus an added bonus amount for induction stoves                 |

\* Note: it is assumed that properties that want to electrify & receive the enhanced electrification incentives would also weatherize, and that funding for targeted air sealing would be part of that.

\*\*This is not meant to change the current offer of 100% cost coverage for Weatherization for 2-4 unit homes.

### D. Develop and implement an offer for moderate income customers outside select geographic areas, to include the following (See chart above for a visual depiction):

1. 100% cost coverage for Weatherization
2. An expansion of and/or increase in funding for pre-Weatherization barriers as appropriate.
3. Increased rebates for efficient electric appliances, including induction stoves.
4. 100% cost coverage for heat pumps and pre-electrification barriers (e.g., electrical panel upgrades)

The EEAC recognizes that utility costs may increase when heat pumps are installed, and that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE) and/or “cost-shifting” when central fossil fuel systems are converted to heat pumps on individual tenant meters. Refer to Foundational Principle II.C. below for the recommendation to address this issue.

5. Where properties electrify, an increased rebate for induction stoves.

## II. FOUNDATIONAL PRINCIPLES

- A. **Where qualification is based on income, utilize area median income (AMI) or state median income (SMI), whichever allows for greater participation.**
- B. **To inform the 2025-2027 Three Year Plan, the Mass Save Program Administrators and DOER, with input from the EWG, will determine an appropriate income verification process for offers where qualification for financial support for measures, or for services, is not automatic and is based on income. The purpose is to simplify and streamline the customer income qualification process to the extent possible and appropriate, including consideration of ways to appropriately balance the need to reduce barriers to income qualification processes with the desire to ensure that moderate income incentives are not received by market rate customers. The approaches listed below shall be considered. Note that this list is not meant to be exhaustive and other approaches may be considered.**
  1. “Self-attestation plus follow-up checking” for moderate income residents that do not meet the automatic qualification requirements. Note that appropriate resources should be dedicated to assessing the effectiveness of this methodology and that such assessment should include a consideration of the extent to which moderate income incentives are received by market rate customers.
  2. Use software that provides real-time, “instant” approval of income qualification determination. Note that such software may need to be developed or created by the PAs.
  3. The current PA process for income verification which includes an online tool to provide proof of income such as pay stubs, W-2 forms, or recent tax returns.
- C. **To inform the 2025-2027 Three Year Plan, with input from DOER and the EWG, the PAs will work to identify and implement approaches designed to address the potential increase in utility costs that may occur when heat pumps are installed. The EEAC recognizes that such increases may be due to gas-to-electric conversions (particularly where the home is not weatherized or where an existing boiler or furnace has a greater than 90% efficiency or AFUE) and/or “cost-shifting” when central fossil fuel systems are converted to heat pumps on individual tenant meters. Examples of approaches that should be considered to address this issue include:**
  1. Requiring that heat pumps be placed on a landlord-owned panel when heat is centrally provided consistent with M.G.L.c. 186, section 14
  2. Providing landlords with information about their responsibilities as landlords, including the legal prohibition against violating a lease provision stating that heat will be included in rent
  3. Providing homeowners, landlords and tenants with the following types of written information:
    - a. The Massachusetts Green Communities Act requires that Massachusetts be net zero greenhouse gas emissions by 2050,

- b. Heat pumps can reduce greenhouse gas emissions (e.g., they provide both heating and air conditioning with zero on-site fossil fuel emissions),
- c. Utility costs may increase as a result of installing heat pumps
- d. Steps that can be taken to mitigate potential utility bill increases
- e. Requiring renters to sign an approval form with the information above to agree to the install

**D. The PAs, with input from DOER and the EWG, shall develop and implement cost management strategies.**

- 1. Consider fixed pricing model for heat pumps as used in weatherization. (Note that a fixed pricing model may be most workable in situations where building typologies and associated heating system configurations can be identified and standardized.)
- 2. By January 2025, the PAs, in consultation with DOER, shall explore the extent to which Mass Save can provide bundled services (pre-Wx, weatherization, heat pumps), at fixed prices (or within specified price ranges), as used in weatherization, and report back, by said date, as to how this can be implemented Note that such services could be provided as a package as part of a “turnkey option”.

**E. To minimize customer out-of-pocket expenses, develop and implement approaches to minimize customer out-of-pocket expenses where rebates or incentives are being provided. Example approaches are described in 2 and 3 below. Approaches may be implemented initially for moderate income customers and subsequently expanded.**

- 1. Maintain quality assurance and quality control provisions that minimize burdens on the customer and contractor
- 2. Offer “instant payment” for any measures for which rebates are being provided so customers do not have any out-of-pocket expense, including instant approval of equipment/measure eligibility, and instant receipt of rebates. The PAs should ensure systems to provide direct payment to contractors in a timely manner for work.
- 3. Explore and implement other approaches as appropriate, such as increasing the number of contractors qualified to receive direct payments, enhancing the direct-to-contractor payment pathway to provide ACH payments, or, for moderate income customers, instituting a coordinated delivery model or a quarterbacking model where a vendor develops a scope of work and subcontracts with other vendors for to various aspects of the scope of work. If possible, PAs should consider setting up a pre-funded incentive account for contractors that participate in these programs for the purpose of not requiring contractors to float the money for instant rebates given to customers. This account could be pre-funded and reconciled regularly (e.g., quarterly).

**F. Simplify the customer journey by facilitating access to services regardless of entry point.**

- 1. Customers should be able to apply for energy efficiency services with a minimum of effort. Customers should not have to ask for service twice or be told to call another number. (The related accounting for budget and savings allocations can happen behind the scenes on the back end.)
- 2. All contractors should be able to seamlessly direct a customer to any service (e.g., warm hand off). Consider the following:

- a. Supporting a referral pool for contractors to pass on projects that they cannot address due to time/geographic/technological constraints
  - b. A referral fee if a project is completed by another contractor
  - c. Encouraging non-HPC contractors to build partnerships with other contractors to provide whole building services such that it appears to a customer that services are being provided by a “one-stop shop contractor”
  - d. To enable energy efficiency through Mass Save, encouraging Mass Save contractors to build partnerships with non-Mass Save contractors that perform barrier mitigation work
3. LEAN and the PAs should continue and expand efforts for cross training of service providers between the IES and Residential programs

**G. Provide all customers with simple, prioritized multistep action plan.**

1. Improve messaging to provide information in a clear and easily understandable format
2. Prioritize customer education during each step of the process

**H. As depicted in the charts above, provide facilitated support for customers through adoption of recommendations, including: general navigation, project facilitation, technical assistance and evaluation of quotes.**

**I. Provide additional service delivery improvements to reduce barriers to participation.**

1. Ensure that lead vendors that serve rental properties have expertise in serving rental properties (including smaller rental properties) and English-isolated customers, and in implementing community-based approaches.
2. Work with municipalities served by Municipal Light Plants to develop a co-delivered offer for multifamily customers with gas through the investor-owned utilities, leveraging IRA funds as available

**J. Provide the necessary resources to support achievement of the objectives of these recommendations and to begin the process of achieving distributive justice.**

1. Marketing and as needed budgets for the 2025-2027 Plan should be overweighted toward underserved populations to begin addressing historic under-investments
2. The PAs should present a summary of [Equity Investments](#) and descriptive text explaining how those investments will lead to distributive justice to the Equity Working Group in advance of submission of the draft plan (due on 3/31/24) for discussion and feedback.

**III. COMMUNITY FIRST PARTNERSHIPS (CFPs)**

**A. Provide additional funding to support, as needed, hiring a heat pump coach, a facilitator/quarterback, and a small business liaison in each community, as well as to support language services, as needed. Note that it’s possible that one entity could provide these services.**

1. Increase CFP budget to achieve objectives included in these recommendations
2. Provide additional flexibility for the program to support innovative, place-based solutions



**B. Support the CFPs' outreach efforts by allowing CFPs to develop collateral material tailored to the CFP needs, including non-Mass Save energy-related efforts.**

1. Work with CFPs to develop outreach efforts
2. Expedite PA approval process

**C. Work to improve data availability tailored to the CFP needs**

1. Develop protocol to provide CFPs with appropriate access to information on what buildings have been served with what services so they can effectively target

**D. Continue to work to increase the number of EJMs participating in Mass Save as CFPs.**

1. Consider developing a referral program that **can** recognize community members within EJMs that refer other community members to services that they have received through Mass Save.

**IV. LANGUAGE ACCESS**

**A. Provide professional quality end-to-end language support, tailored to the customer and not just auto-generated (e.g. through [Google Translate](#)), for all customers at all stages of service, including through Community Partners and throughout the Mass Save website.**

1. Begin this process with seven languages: Haitian Creole, Portuguese, Arabic, and all additional languages required by the US Election Assistance Commission's Language Access Designations pursuant to Section 203 of the Voting Rights Act (at time of recommendation, Spanish, Chinese, Vietnamese and Khmer (Cambodian)). Continue with other languages as appropriate.
2. Work to enhance language support to increase access on a community level (e.g., through CFPs) as appropriate.
3. Ensure that the Language Access Plan is fully implemented.

**B. Prioritize hiring of multilingual staff to ensure that customers have access to service in their preferred language for all Mass Save programs and at every Mass Save interaction.**

1. Increase visibility of indirect providers with additional language capabilities

**C. Establish systems and procedures for recording customers' language preference to ensure that customers are served in their preferred language.**

**V. WORKFORCE**

**A. Through PAs' efforts and in coordination with MassCEC, ensure that equity considerations are included in workforce development recommendations from both the customer and contractor standpoint.**

1. Ensure that the workforce is equipped to serve language isolated customers
2. Ensure that workforce efforts are designed to foster diversity amongst contractors, including providing contractor training in Spanish and in other languages as appropriate. Document which contractors are certified MWBEs in the various qualified contractor networks (home performance contractors (HPC), independent insulation contractors (IIC), and heat pump installer network (HPIN)). Additionally identify which contractors can provide services in languages other than English and document on the Mass Save website. Note that this self-identification could be optional.
3. By January 2025, review background check requirements and implement changes to ease requirements for returning citizens and those with minimal criminal history to create opportunities while appropriately protecting the safety and security of

participants.

4. Establish a Contractor Development Pathway to ensure that contractors are adequately equipped to develop/grow their businesses.
5. Clearly define the contractor journey pathway
6. Provide contractor- facing information about the Mass Save programs on the Mass Save website.

## **VI. SMALL BUSINESS**

### **A. Ensure that equity considerations are included in program design/implementation of any small business programs.**

1. Provide translation services for Main Streets events

### **B. Provide concierge services for small businesses**

## **VII. MEASURING SUCCESS**

### **A. Re-evaluate Equity Performance Incentive mechanism to ensure alignment with 2025-2027 EEAC Equity recommendations.**

### **B. Revise the Equity Targets as a collaborative effort between the PAs, DOER and the Consultants, and the EWG to reflect the increased emphasis on equitable outcomes and the EEAC's equity priorities and recommendations for the 2025-2027 Term.**

### **C. Provide consistent tracking and reporting of data to assess progress toward achieving recommendations, including for "ready access" geography-based rental property and moderate-income programs described above, for multi-family projects (by project type, e.g., building size, ownership status, projects in certain geographies), and to measure success of CFP outreach efforts.**

### **D. By Q3 2026, complete a "participant study" to better understand motivations for participation and why customers participate in Mass Save. Apply insights to develop and implement programmatic or process changes to increase participation by underserved customers and to reduce barriers to participation.**