



# Workshop 2: Income Eligible Programs

Program Administrator Overview

November 10, 2020

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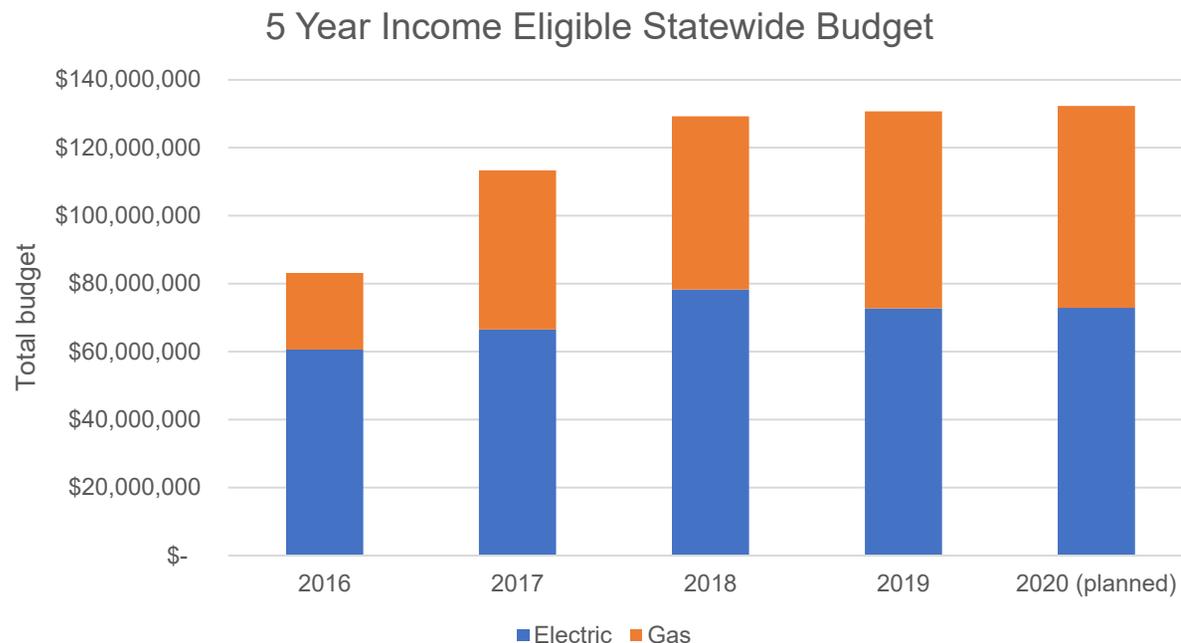


- Overview: Budgets explained
- Progress on heat pumps
- IE electrification considerations, including cost
- COVID impacts
- Potential measures to explore

# IE Budgets Explained



To date, budget has not been an obstacle to providing cost effective energy efficiency services to income eligible customers...



...We do not anticipate budget to be an obstacle in installing heat pumps at a sustained pace where they provide cost-effective savings. However, we must always be mindful of bill impacts.

# Budget Development



- Budgets are not created or spent on a per customer basis – all IE customers receive comprehensive services
- Like all budgets, the income eligible budget is developed in a bottoms up effort by widget, considering historical performance, trend analysis, and new opportunities in order to optimize energy savings
- PAs take care to meet or exceed the GCA spending requirement for income eligible (10% of budget for electric; 20% for gas)
- PAs will file a mid-term modification (“MTM”) with the Council (and DPU, as necessary, based on expected bill increase) if they expect a change to the three-year program budget of greater than 20%
- Bill impacts from budgets are reviewed by DPU when Plan is filed and when DPU reviews an MTM
  - Funding comes from ratepayers who are increasingly moderate and middle income themselves in light of the COVID epidemic; IE customers also pay an energy efficiency surcharge

# Success: Weatherization Barrier Mitigation

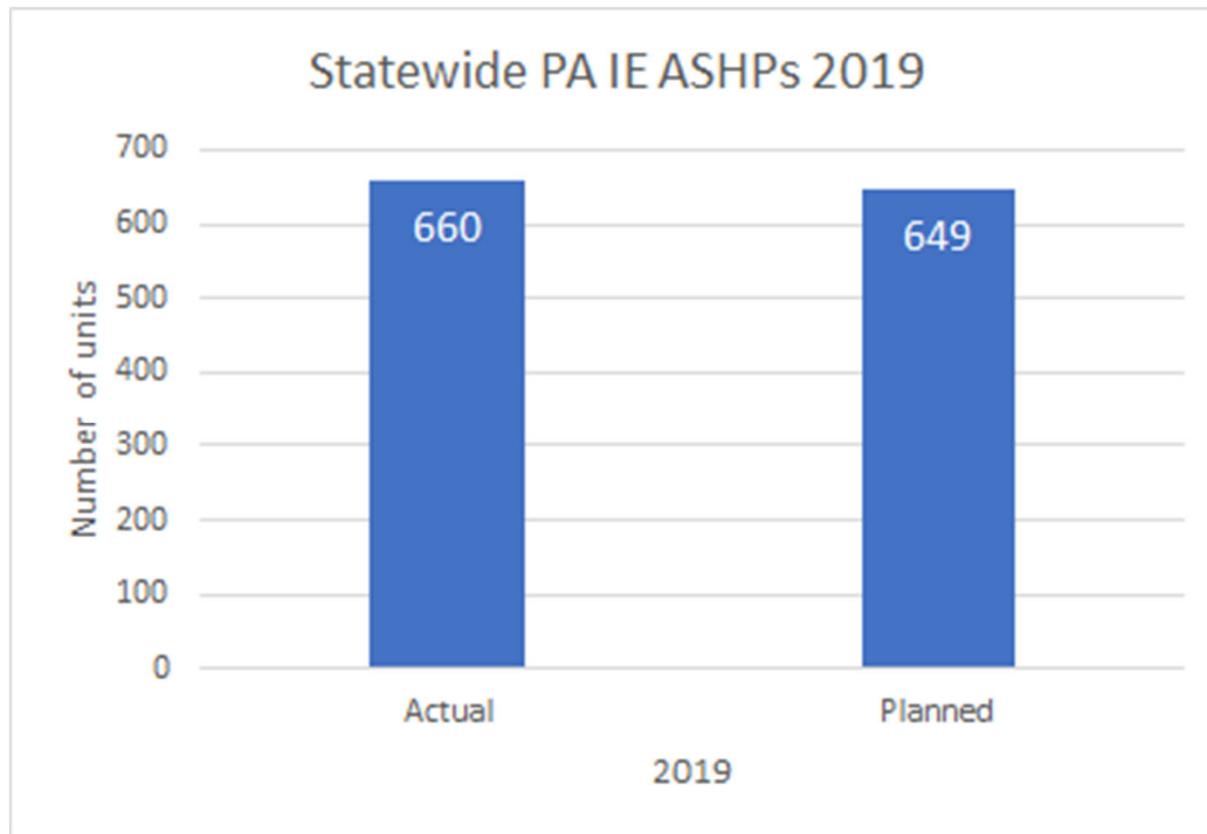


- PAs have a track record of holistically addressing IE customer needs by investing in weatherization barrier mitigation for IE customers
- Barrier mitigation is costly and is an important part of the IE budget we plan for:
  - Asbestos
  - Knob and Tube
  - Combustion Safety
  - Roof repair
  - Vermiculite (in process)
- There are additional barriers for IE customers to consider that PAs and LEAN are working to address through the Best Practices Working Group
  - In 80+ towns, work not allowed on homes with back taxes
  - Work not allowed on homes with outstanding water bills
  - Water districts putting liens on homes for outstanding bills
  - Structural issues (homes not up to code)

# Progress on IE Heat Pumps



PAAs surpassed planned quantities for IE coordinated delivery in 2019



# Electrification Considerations for 2022-24



**Good project /candidate + Good customer education +  
Training for maintenance staff  
= Successful ASHP Projects**

- Cost and participant trade off: as we move to more costly and intensive measures, the same amount of budget likely yields fewer participants
- Every heat pump job is a custom job - increased complexity
- Market size: need to be realistic about number of new opportunities, especially in multifamily
- Important to address customer preference, customer education, and comfort
- MF barriers with operations & maintenance in public housing
- Education and training for maintenance staff
- Consideration of longer-term maintenance planning

# COVID Impacts



**PAs are flexible and are here to meet customers where they are. We are prepared to make budget changes once there is greater certainty.**

**We will continue to offer income eligible customers a choice between remote and in-person services.**

## Known unknowns

- Trend of customers on discount rates
- Trend of MA residents qualifying for LIHEAP, SNAP, WIC, Chapter 115 veteran's benefits

## Key takeaways

- We don't know yet what will happen
- We are watching this space

# Potential Measures to Explore



We are always looking for new ways to provide energy savings to income eligible customers in both single and multifamily and are always exploring cost effectiveness of new technologies. Some to explore include:

- Variant Refrigerant Flow (VRF) for multifamily
  - Allows better monitoring of building HVAC operation/individual units
- Wi-Fi thermostats where appropriate
- Water heating, including split system heat pump hot water heaters
- Closed cell foam
- Radiator cozies
- Solar phone chargers
- Air vents
- Boiler controls
- Multifamily storage



# Thank you

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