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Subject Matter: Increasing Labor Force, Lead Sharing, & Reducing Admin Costs

Hello, My name is Wyatt Couture. I am an owner of American Installations. We are an HPC for several utilities in the Mass Save Program.

I want to start off by saying that I believe in the work that we are doing in this program, and see firsthand the benefits that our work has on our state's residents and energy consumption. I would like to commend the efforts of this council and its departments that have been crucial thus far in getting this program to where it is currently.

I would also like to propose some changes to help the program improve in servicing a larger customer base.

What we have determined thus far as the program's largest facing issue is a difficulty to grow our workforce and production. While there are many gears turning on multiple levels to keep our program in motion, I think it can be fairly stated that a *driving* success of this program happens every day at the ground floor. The workers performing the weatherization in the field are what create significant energy reductions greatly responsible for our program's success.

Now, because the nature of our industry's work is both difficult and not very attractive: it's hot, itchy, uncomfortable and dirty, it is difficult to hire, train, and retain our workforce at the rates that we must pay them to operate a successful business. The program mandates that we hold these workers to a very high standard of quality. As many of you may know, our workers must have clean records for at least 5 years, must pass drug tests that include marijuana testing, and the quality level expected for these installation jobs require months of intensive on-the-job training for new employees. This training, although necessary, is very costly, as it slows production on jobs and puts even more responsibilities on our crew chiefs. And, there is no getting around it, because there is no supply of trained weatherization workers out there that we can hire.

Most every contractor right now is maxed out, and backed up with work, most more than 6 weeks out, which doesn't exactly exemplify a timely service, but it shows that while the demand for HEAs and weatherization work is increasing, our workforces are struggling to keep up. The program's pricing sets the rate at which we can pay employees and that rate is conducive to high employee turnover rates, which make it costly to keep our current rate of production, let alone expand, as the rates we can pay are not high enough to attract the abundance of employees we need to meet the current and potential industry demand.

As an investor in the program, one would look to see where the largest and most beneficial impact would result from investing the programs funds. It is clear that the investment made in the workforce, in the contractors, would result in the most beneficial result.

I'm proposing a significant program pricing increase of 30% from the current CSG pricing model which all lead vendors would be required to adhere to. This would put an end to the significant differences in utility program pricing, but most importantly it will get our industry's wage rates ahead of the already behind rates, so that we can advance our industry's ability to both sustain our current training and production efforts, and attract a greater supply of these candidates to our industry.

My next proposal is to address a long-time concern among Home Performance Contractors. As HPCs we are responsible for generating all of our own business, and bringing our own customers into the program, as lead sharing among our major lead vendor and several utilities is not happening. I have to ask why it is that all of the rate payers' money used for marketing goes solely to support the lead vendors' Energy Specialists, and none of that marketing goes to support HPCs who's play an integral role in the program.

As Home Performance Contractors, we cherish our leads, as we know the value of a lead, because we incur the cost of getting them. We put high importance on both converting HEAs to weatherization work during the HEA, and post HEA weatherization follow-ups. My company makes a minimum of 5 additional efforts to connect with customers to try and get them to move forward with proposed work after the HEA.

We are proposing that all of the Mass Save marketing efforts from the utilities not go solely to the lead vendors. That the leads from the mass save website and utility hotline be evenly distributed by the utilities amongst lead vendors and HPCs by the percentage of energy specialists the company has available in each zip code they service. HPCs and Lead Vendors would then be responsible for tracking scheduling efforts and reporting to the utilities on the leads given.

It is the rate payers' money going towards these marketing efforts, and for all of that money to go towards benefitting the lead vendors, is unjust. Fair lead sharing amongst HPCs and Lead Vendors we believe is a must as you develop this program.

My next proposal aims to reduce administrative costs and stimulate more weatherization work performed. Currently there is a \$2,000 cap on the incentive which replenishes yearly. This cap is responsible for projects getting split up into 2, 3 and sometimes 4 years. This limits the ability for the contractor to complete all of the work at once, and creates more administrative costs with revisits, software work, contract creation, invoicing/processing, and job overhead costs.

By eliminating or raising the cap, it will stimulate larger weatherization projects to be completed, saving more energy, eliminating unnecessary administrative and overhead costs, and leveraging the rate payers' money back to the rate payers.

I appreciate your consideration of my proposals, as I believe they will stimulate growth, and help our program achieve greater results and improved service for years to come. Thank you.