Cape Light Compact JPE
Executive Committee &
Governing Board Meeting

DATE: Wednesday, April 9, 2025
LOCATION: Cape Light Compact Offices – Martha's Vineyard Conference Room
261 Whites Path, Unit 4, South Yarmouth
TIME: 2:00 – 4:30 p.m.

Note: The meeting will be held as a hybrid meeting (in-person and through remote participation) pursuant to St. 2025, c. 2, which extends the temporary provisions pertaining to remote meetings of public bodies under the Open Meeting Law to June 30, 2027. Members of the Public can join in by audio and follow along with Meeting Materials, see the information below. Written public comments should be submitted to Maggie Downey, Compact Administrator, at mdowney@capelightcompact.org by 2:00 PM on Tuesday, April 8th, 2025, and should follow the public comment protocol below. Written public comments received after the April 8th deadline will be distributed prior to the Compact's next Board meeting

Telephone dial-in: +1 (646) 558-8656
Meeting ID: 815-14603311
Passcode: 099711

AGENDA

1. Public Comment

2. Approval of March 12, 2025, Open Session Minutes

3. Chairman's Report, Martin Culik
   a. Continued Discussion on Succession Planning for Administrator's Position
   b. Update on Proposed Energy Affordability Legislation

4. Presentation and Discussion on the Compact's April 30, 2025, Compliance Filing for the Three-Year Energy Efficiency Plan for 2025-2027 (DPU 24-146), Margaret Song

5. Presentation and Discussion on Proposed Revisions to Compact Town Reports, Kim Grant

6. Update on Revisions to the Compact's Website, Jason Bertrand

7. Administrator's Report, Maggie Downey
   a. Mass Save Letter to State Auditor

8. Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)

Cape Light Compact Public Comment Protocols
for Governing Board Meeting
Cape Light Compact Public Comment Protocols
for Governing Board Meeting
(June 2023)

The Cape Light Compact Governing Board has adopted the following protocols to assist the public in effective participation in its Governing Board meetings, where some Board Members, staff and members of the public may be participating remotely:

1. Members of the public are welcome to address the Compact Board during the public comment section of the meeting or in writing.

2. Members of the public addressing the Compact Board at the meeting must state their name, and if appropriate the name of the organization the person is representing. Oral comments must be limited to three minutes.

3. Members of the public may also submit written comments. Written comments shall be submitted in writing to the Compact Administrator, Maggie Downey, at mdowney@capelightcompact.org by 2 p.m. on the Tuesday before a scheduled Compact Governing Board meeting (or such other time as may be established by the Compact Administrator). Written comments must include a person's name and, if appropriate, the name of the organization the person is representing. Public comments received after the deadline will be distributed prior to the Compact's next Board meeting.

4. Members of the public addressing the Compact Board may not use fighting words, slander, unreasonably loud or repetitive speech, or speech so disruptive of the Compact Board meeting that the deliberative process is substantially interrupted or impaired. Speakers may not disrupt others. Speech must be peaceable and orderly.

5. All written public comments submitted in advance consistent with these protocols shall be included in the Compact's Board meeting packet.

6. Board members and staff cannot respond to public comments for topics not on the current agenda during the Board meeting. The Cape Light Compact Board may respond to comments either by putting them on the agenda of a subsequent meeting or by requesting the administrator or staff to respond to the comment.

7. Copies of the Board meeting packet will generally be made available to members of the public in advance of the meeting at the Cape Light Compact JPE's web site at www.capelightcompact.org Documents exempt from disclosure pursuant to the Public Records Law or protected by the attorney-client privilege shall not be included.

Cape Light Compact JPE
Governing Board
Meeting Minutes
Wednesday, March 12, 2025

The Cape Light Compact JPE Board of Directors met on Wednesday, March 12, 2025, at 2:00 p.m. The meeting was held as a hybrid meeting (in-person and through remote participation) through a Zoom videoconference for members of the Board with audio call-in available for members of the public, pursuant to St. 2023, c. 2, which, among other things, extends the temporary provisions pertaining to remote meetings of public bodies under the Open Meeting Law to March 31, 2025.

Participating In-Person Were:

1. David Anthony, Secretary/Executive Committee, Barnstable
2. Robert Schofield, Executive Committee, Bourne
3. Brian Miner, Chatham
4. Brad Crowell, Dennis
5. Tom McNellis, Eastham
6. Valerie Bell, Harwich
7. Martin Culik, Chair/Executive Committee, Orleans
8. David Jacobson, Orleans Alternate
9. Nathaniel Mayo, Provincetown
10. Bob Higgins-Steele, Truro Alternate
11. Suzanne Ryan-Ishkanian, Wellfleet
12. Joyce Flynn, Vice Chair/Executive Committee, Yarmouth

Participating Remotely Were:

1. Bill Doherty, Bourne Alternate
2. Colin Odell, Executive Committee, Brewster
3. Timothy Carroll, Chilmark
4. Tristan Israel, Dukes County
5. Gary Senecal, Eastham Alternate
6. Alan Strahler, Edgartown
7. Scott Mueller, Falmouth
8. Leanne Drake, Sandwich
9. Russ Hartenstine, Tisbury
10. Nicola Blake, Executive Committee, West Tisbury

Absent Were:

1. Forrest Filler, Aquinnah
2. Wayne Taylor, Mashpee
3. Peter Meleney, Oak Bluffs
4. Jarrod Cabral, Truro

Legal Counsel Participating Remotely:

Audrey Eidelman Kiernan, Esq., KO Law, P.C.
Erin O'Toole, Esq., KO Law, P.C.

Staff Participation In-Person:
Briana Kane, Implementation Manager
Jason Bertrand, Marketing & Communications Coordinator
Laura Selmer, Energy Efficiency Analyst
Lindsay Henderson, Senior Analyst – Small Business
Maggie Downey, Chief Administrative Officer
Margaret Song, Energy Efficiency Strategy and Policy Manager
Mariel Marchand, Power Supply Planner

Staff Participating Remotely:
Angela Hurwitz, Senior IT Services & Data Management Analyst
Anneliese Conklin, Data Services Coordinator
Dan Schell, Senior Analyst - Retail and Demand Response
David Botelho, Senior IT Services & Data Management Analyst
David MacLellan, Senior Analyst
Kate Coleman, Outreach Specialist
Kim Grant, Town Energy Coordinator
Miranda Skinner, Strategy and Regulatory Analyst
Phil Moffitt, Chief Financial Officer
Stephen McCloskey, Energy Efficiency Analyst
Tatsiana Nickinello, Energy Efficiency Analyst

Public Participants:
None.

Martin Culik called the meeting to order at 2:00PM.

Public Comment:
No written comments were received in advance of the meeting and no members of the public were present for public comment.

APPROVAL OF MINUTES:

The Board considered the January 8, 2025, and February 19, 2025, Open Session Meeting Minutes.

Maggie Downey stated that Briana Kane needs to be added to the staff participants for the January Board Meeting. Tom McNellis stated that on page four of the February Meeting Minutes, in the fourth paragraph it should say "savings over time."

Robert Schofield moved the Board to accept the minutes and to release them as amended, seconded by Valerie Bell.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Brian	Miner	Chatham	Yes
Colin	Odell	Brewster	Yes
Tim	Carroll	Chilmark	Yes

Brad	Crowell	Dennis	Yes
Tom	McNellis	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Leanne	Drake	Sandwich	Yes
Bob	Higgins-Steele	Truro	Yes
Suzanne	Ryan-Ishkanian	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (17-0-0)

CHAIRMAN'S REPORT, MARTIN CULIK:

1. **Solar Loan Press Conference Recap**

Martin Culik stated that the Cape & Vineyard Solar Loan Program press conference on February 28th went well. He stated that several Board Members attended along with Senator Cyr, representatives from Cape Cod 5, Self-Reliance, and a solar installer. He stated that staff did a good job pulling it all together and had some conversations with media afterwards. Maggie Downey stated that staff had an hour-long interview with the local National Public Radio (NPR/WCAI) station. She stated that the program funds are going fast. As of yesterday, there were 42 applications. Martin Culik stated that he will talk more about the program later in the meeting.

2. **Discuss Hiring Process for Compact Administrator Position**

Martin Culik stated that we are going to start discussing the process of hiring a new Compact Administrator as Maggie Downey will be retiring next year. Maggie Downey stated that her last day in the office will be March 20, 2026, and then she will use up her accrued vacation time. Martin Culik stated that, pursuant to the Compact's Joint Powers Agreement, the Board is responsible for appointing the Compact Administrator. He stated that the Board has not had to do this before since Maggie Downey is the first and only Administrator the Compact has had. Therefore, it will be a learning process. He stated that today what he wants is to engage the Board in a brief conversation about filling the position. He stated that we have talented staff that have many years of experience, working side by side with Maggie Downey and we can also look outside the Compact as well. He stated that he wants input from the Board regarding what they think the Compact Administrator needs in terms of competencies, character, personality, and experience. He stated that he has had conversations with KO Law and Michael Hale from the Collins Center at University of Massachusetts, who helped the Compact with the latest compensation and classification plan for staff, regarding the Administrator position. He stated that we have a relatively up-to-date position description for the Administrator.

Valerie Bell asked if the Board was going to do this on its own or hire someone whose business it is to help coordinate and find candidates. Martin Culik stated that Michael Hale has done searches for municipal governments in the past and has offered to help. It would cost between $12,000 to $15,000.

Joyce Flynn asked how this position is advertised and called into question the future of Mass Save® and expressed concern about bringing someone from outside in only to have the job change significantly.

Maggie Downey stated that consistent with the Compact's Personnel Policies and Procedures Manual there are two options for the Board regarding filling the Administrator position; (1) the Administrator position can be filled with an internal promotion of an existing staff member; or (2) the Administrator position is advertised competitively. She stated that if it is advertised competitively there are legal requirements as to how to post a job vacancy announcement. It must be posted in the Cape Cod Times and sent to several public entities. Valerie Bell asked whether a competitive advertisement would preclude a staff member from applying. Maggie Downey answered that staff could apply for the position if it was competitively advertised. Nate Mayo stated that in the municipal world it is common for high level positions to cast a wide net, even despite having prime candidates from within. He stated that it gives a greater richness of evaluating the position. David Anthony stated that no matter which way the Board decides to go, it will be criticized. He stated that he has always been a firm believer that you want to encourage internal staff and promote up wherever possible, it sends the right message about longevity within an organization. He stated that the Board needs to be very cognizant about having a candidate that can weather the changes and understands the region at the very least. He stated that at the end of the day it is hard to know who is going to apply. Colin Odell stated that the Compact is a unique one-of-a-kind organization that in the current climate about energy costs and everything else he does not think only looking internally would send the right message. He stated that the way he might hire the Collins Cener is to facilitate the Board in helping develop a cogent and concise description and set of criteria on what the Board is looking for in the next Administrator because without that the Board does not know how to judge the candidates.

Scott Mueller stated that he is a big advocate for hiring internally. He asked if it would be possible to do a two-tier hiring system to first look internally, and then if the Board feels it has not found the right fit, to then do a wider cast. He stated that there is a lot of value in someone having familiarity with the Compact. Tim Carroll stated that he is concerned that because of the potential for legislative changes that would impact the Compact, the organization could be completely different. He stated that he thinks it would be better to promote from within in this instance, but he is not opposed to an open transparent process if that is what everyone decides to go with. Nicola Blake stated that she is not against an outside search but there is an argument for promotion in house for someone having the benefit of Maggie Downey's leadership all of these years. Brad Crowell stated that he thinks that this position does merit having a competitive advertising. He stated that the Compact does have a lot of terrific staff and hopes that some of them apply for the position as well. Tristan Israel stated that once the decision is made, the Compact should have a small selection committee to set up criteria. Tom McNellis stated that if a current staff member competitively participates in the candidate pool from an outside search that gives due weight to their capabilities. Robert Schofield stated he supports an internal promotion for the position. Valerie Bell then asked if the Board could have a 1-topic meeting just on this issue.

Martin Culik stated that if there are more comments or suggestion they can call or email him. He stated that he is not sure on timing of the decision as to how to fill the position, he just wanted to get the conversation started today.

Russ Hartenstine joined the meeting at 2:25PM.

PRESENTATION AND DISCUSSION ON THE MA DEPARTMENT PUBLIC UTILITIES ORDER (DPU 24-146) ON THE COMPACT'S THREE-YEAR ENERGY EFFICIENCY PLAN FOR 2025-2027, COMPACT STAFF:

Margaret Song reviewed the 2025-2027 Energy Efficiency Plan Order PowerPoint. She stated that overall, the tone of the DPU Order was positive. She stated that energy affordability was a top priority and therefore they want the Compact, as well as other Program Administrators (PAs), to focus on budgeting and cost controls.

Margaret Song reviewed the big changes. She stated that there is a requirement for a $500 million statewide reduction in the residential budget. She stated that the DPU also ordered PAs to limit the energy efficiency surcharge (EES) to no more than a 15% increase year over year. She reviewed the Compact portion of reductions. The total planned statewide residential electric budget is $1.728 billion, and the total planned Compact residential electric budget is $168 million. She stated that the Compact has to cut out $24 million over three years. She stated that it is unknown how statewide decisions may affect the Compact's specific residential program budgets.

Margaret Song stated that the DPU had some issues with the mid-term modification (MTMs) process, given DPU's focus on bill impacts. She stated that as a result they have ordered the PAs to do a couple things. She stated that MTMs will be measured at the sector (Residential, Low-Income, Commercial & Industrial) level, and the PAs will have to seek approval from the DPU when their expenditures are more than 5% both under or over their planned budget. This is a change from the existing 10% over/under requirement. She stated that notices to the DPU of these sector level MTM requests have to be at least four months in advance. The DPU clarified in the Order that the PAs can discuss their MTMs prior to filing with the Energy Efficiency Advisory Council (EEAC). She stated that there is also a new quarterly budget report with the "pipeline" because DPU wants insight into what is happening and how quickly the PAs are getting to some of these budget thresholds. She stated that there will be a statewide heat pump (electrification) pool. She stated that PAs asked permission to create a statewide electrification pool to install heat pumps statewide and allocate the savings and costs statewide because the greenhouse gas emissions reductions stemming from heat pump installations do not see geographic PA service territory lines.

Margaret Song reviewed the smaller items that were approved by the DPU. They are to be able to do some operations and maintenance for heat pumps for low-income customers, refrigeration leaks, a single potential study statewide, and to remove "non-controllable costs" from sector-based cost-effectiveness. She stated that there was also a custom gas electrification split, 62% for electric and 38% for gas, which was approved. She stated that the social cost of carbon approved was $415 per short ton Carbon Dioxide Equivalent (CO2e). She stated lastly the PAs have something called non-energy impacts in their evaluation studies. She stated that the PAs will quantify benefits like reduced homelessness, ability to pay bills, risk of life, etc., which the PAs have always applied to low-income customers. She stated that in this three-year plan the PAs wanted to include moderate-income customers because they see that such customers are very similar to low-income customers in terms of benefitting from the non-energy impacts of energy efficiency and decarbonization measures. Tom McNellis asked if the electric and gas split affects the Compact budget and does that affect our responsibility and our project management. Margaret Song answered yes. She stated that the bulk of our custom projects in terms of custom electrification are on the large commercial and industrial projects. She stated that the Compact will also claim those savings.

Margaret Song stated that there are a few follow-up studies the DPU is requiring the PAs to do moving forward. She stated that they want to know more about heat pump incentive levels. She stated that they want to know how they are determined. She stated that they also want a Heat Loan study on interest rates, loan terms, and who is using the Heat Loan. She stated that in the past the PAs have done a non-participant study just trying to figure out who is left to address and most of those customers for the Compact have been the seasonal population. She stated that DPU wants the PAs to do the study again. She stated that the PAs are also looking

into measurable impacts of the renter electrification agreement on landlord participation in the programs. She stated lastly, there will also be a refrigerants study.

Margaret Song reviewed the statewide deadlines. She stated that April 30, 2025, is when the Compact's compliance filing for updated exhibits and tables is due. She stated that the deadline for the home energy scorecard proposal and gas PA compliance filing on per-therm line item is June 1, 2025. As for the qualitative landlord electrification study, refrigeration study, heat pump incentive study, and returning citizens report, the deadline is April 1, 2026. She stated the answer to the question on whether weatherization is a barrier to electrification is due on June 1, 2026, with the 2025 Annual Report. She stated that the updated non-participant customer profile study is due on March 1, 2027, and the updated strategic renters plan with equity working group input is due on April 1, 2027.

Margaret Song reviewed the other requirements of the Order. She stated for the renter electrification agreement the DPU wants the PAs to create a plain language version to make it easier for people to understand. She stated that for the Heat Loan cuts they want the PAs to work with the Attorney General's Office (AGO) because of the AGO arguments regarding the Heat Loan during DPU's review of the plan. Another to-do is to coordinate with the New England Geothermal Professional Association (NEGPA) on ground source heat pump data. She stated that there is also a new bi-annual reporting on prescriptive electrification. This is to track individual and pooled electrification. She stated lastly there is the Regional Greenhouse Gas Initiative (RGGI) reallocation and new Energy Efficiency Reconciliation Factor (EERF).

Margaret Song reviewed some of the changes for PA Annual Reports. She stated that they are 1) refrigerant measure metrics, 2) market transformation data, 3) administrative cost metrics, 4) community first partnership data sharing, and 5) statewide call center updates.

Margaret Song reviewed the Compact specific items in the Order. She stated that the Cape and Vineyard Electrification Offering (CVEO) started late therefore and was approved for completion in 2025. She stated that shared costs are to be split 93% energy efficiency and 7% operating and that financial services should follow the split as well. She stated that the Compact will continue reporting of actual costs for shared costs. She stated that the Compact is required to join the statewide call center. The Compact has to put together a transition plan that needs to be included in the Compact's 2025 Annual Report. She stated that the Compact's interest rate proposal for its EERF was not approved in full and the DPU ordered the Compact to modify its proposal in accordance with the AGO's recommendation.

Margaret Song stated that the deadline for the compliance filing with reductions, interest rate adjusted in the EERF, and updated costs is April 30, 2025. She stated that the deadline for the Annual Report with community first partner and statewide cost consistency and transition plan for call center is June 1, 2026.

Maggie Downey stated that the Compact is looking for the Board's direction on priorities for residential budget cuts. The electric PAs are required to cut $250 million. She stated that Briana Kane is going to walk the Board through the residential programs and what staff is looking for feedback on. Briana Kane stated that the Compact was asked to specifically make budget cuts to the residential sector. She stated that there is the residential new construction and renovations and there is a fair amount of money here, but one idea is the Board could support just moving forward with only new construction and not renovations. She stated that within the residential turnkey there is the moderate income offering. She stated that we have talked about our designated equity communities, both of which are on the Vineyard, and we talked about that moderate income offering that is going to be available for all moderate-income customers as we proposed in the plan. She stated there may be something there the Board may consider changing. She stated that the residential rebates are those for the heat

pumps, dehumidifier turn-in events, refrigerator and freezer recycling, electric lawn equipment, etc. She stated that we can look into how well these rebates are doing and potentially make cuts there. She stated that there is also ConnectedSolutions which are the thermostat called events for residential and battery backup. She stated there is also the scorecard that is built into the residential budget, and it is not an insignificant amount of money. She stated that the scorecards are a supplemental piece to the home energy assessment, and it is a score of your home as it stands under current modeling. She stated that the Board can think about whether that is something important for them to continue to support.

Brad Crowell stated that he would like to know what staff recommends. Valerie Bell agrees. She stated that all these programs are valid, but she does not have a full understating of their costs or how well each program is doing compared to the next. Joyce Flynn stated that given the time constraints, she would like the Board to ask the staff to pursue what they believe are the best recommendations here because they have the whole picture, and she has great confidence in the staff. The sense of the Board is that they agree that the budget reductions should be done by staff.

MAGGIE DOWNEY LEFT THE BOARD MEETING AT 3:50 PM

CONTINUED DISCUSSION ON MARKETING EFFORT FOR CAPE LIGHT COMPACT POWER SUPPLY OFFERING, MARIEL MARCHAND AND JASON BERTRAND:

Jason Bertrand reviewed the Power Supply Marketing PowerPoint. He reviewed the four options for direct mailing and their costs. There is a test mailing of 1,000 pieces including 500 basic service and 500 competitive supply customers, a mailing for all basic services customers, a mailing for all competitive supply customers, and a mailing for all basic service and competitive supply customers.

Jason Bertrand stated that the Compact is looking for a sense from the Board on whether they support expending $1,050.95 from existing operating budget to proceed with the test mailing. He stated that the staff is proposing that if the Compact receives 40 responses (4%) by May 1st, we will come back to the Board with an appropriation request to mail to the remaining Basic Service and Competitive Supply customers at the May Board Meeting. Nate Mayo asked when the Compact expects to launch the test mailing. Jason Bertrand answered by the end of this month. He stated that staff is working on the postcard, and the printer is on standby. The sense of the Board was to move forward with the test mailing.

UPDATE ON MAIN STREETS INITIATIVE 2024 AND 2025, LINDSAY HENDERSON:

Lindsay Henderson reviewed the 2025 Main Streets & Small Business Updates PowerPoint. She stated that CLC will be working with RISE and National Resource Management, targeting customers in selected towns who have not participated in an energy assessment within last two years. She stated that the vendors will be doing advanced outreach to schedule assessments. She stated that she works with the Cape and Vineyard towns to help promote the effort and works with the towns on marketing materials.

Lindsay Henderson stated that the Compact is offering up to 100% incentive for all Small Businesses who have measures installed through an energy assessment. She stated that there will be direct mail letters and flyers being sent out to the targeted customers in advance. She stated that the Compact is engaging the local Chambers of Commerce and Business Associations to help with outreach to the businesses.

Lindsay Henderson stated that in 2024 the Compact held 13 Main Streets efforts: Hyannis, Provincetown, Bourne, Tisbury, Falmouth, Wellfleet, Mashpee, Eastham, Dennis, Edgartown, Orleans, Yarmouth, Marstons

Mills. She stated that 331 assessments were performed, and 293 projects were installed. The kWh annual savings is 1,155,357 and MMBtu annual savings is 235. She stated that $1,741,729 in incentives was paid.

Lindsay Henderson stated that for 2025 there will be four Main Streets efforts held in Barnstable, Sandwich, Martha's Vineyard, Brewster and Orleans. She stated that they were selected based off the number of customers that haven't participated within last two years, and those that have been harder to reach with regular outreach efforts. She stated that the Compact will be developing more comprehensive proposals for customers. She stated that the Compact is also working to develop renter and non-profit specific outreach and marketing to promote new offers available to them. The Compact will be meeting with Chambers of Commerce throughout the year to see how we can partner with them to reach more businesses.

Lindsay Henderson stated that there are a couple small business updates with the 2025-2027 Energy Efficiency Plan. She stated that for non-profits they must be 501 (c) (3), (8), (10), (19), (23) or a House of Worship and that the organization must have been operational for at least a year. She stated that there is up to 100% for all measures except for heat pumps. She stated that for renters, the building owner must attest that 50% or more of the facility is leased and must not be affiliated with the renter or have a stake in the renter business. She stated that they also get up to 100% for all measures except for heat pumps.

GREEN COMMUNITIES GRANTS UPDATE, LAURA SELMER:

Laura Selmer reviewed the Green Communities Update PowerPoint. She stated that at a quick glance of the statewide map you can see that many of the Cape and Vineyard towns are Green Communities.

Laura Selmer stated that Regional Energy Planning Assistance (REPA) grants are offered in two-year cycles. The current contract expires in May 2025. She stated that it pays for the Compact's time to prepare and submit annual reports for all Green Communities in the Compact's territory and the time to prepare competitive applications, designation requests, and grant reporting. She stated that there are caps on hours per task. They are very strict on what they want to see in terms of receipts reporting.

Laura Selmer stated that there are three stages to Green Communities. She stated that the first phase is the application. This is when the energy reduction plan is written up. She stated that then there is the designation when the town receives funds to use how they want as long as they follow the Green Communities criteria. She stated that once that funding is gone, the next phase is competitive grants that are available twice a year. She stated that the towns are required to spend the funds on the project they applied for. She stated that a year-to-date total dollar of combined impact of Green Communities for the Compact's territory has been almost six and a half million.

Laura Selmer stated for Green Communities the competitive grants go up to $225,000 for energy efficiency projects for designated communities and up to $500,000 for decarbonization projects. However, that locks you out of the program for two years. She stated that there are also Climate Leaders which is a new program. The grants are competitive and are up to $1 million for designated Climate Leaders communities. She stated that the funding can be used for renewables. Tom McNellis asked if the Climate Leader grants are going to require going against things on a community's decarbonization road map. Laura Selmer stated that a decarbonization roadmap is very much like an energy reduction plan, it is a guidance document, not a rule. She stated however, they most likely will want to know the reasoning why.

Laura Selmer stated that the fall competitive grants were approved by the Department of Energy Resources (DOER) on March 4th for Harwich, Edgartown, Chilmark, And Provincetown. The total amount is $722,930.

She stated that the spring applications are for Falmouth, Chatham, Dennis, and Tisbury and for fall 2025, Brewster, Nantucket, West Tisbury, Mashpee, and Yarmouth. She stated that the towns that have an open designation are Eastham, Gosnold, Oak Bluffs, Sandwich, and Orleans. Brad Crowell asked if Gosnold was a part of the Compact's territory. Laura Selmer answered that they are not because they are a municipal light plant, they make their own energy. However, they are a part of her REPA grant and that is why they are included here.

Laura Selmer stated that for Climate Leaders DOER has been providing technical assistance to support the criteria for the designation for the communities decarbonization roadmap. She stated that those receiving technical assistance currently are Aquinnah, Eastham, Orleans, Wellfleet, and West Tisbury. She stated that Truro has already completed their decarbonization roadmap and has submitted their application. They are now awaiting designation.

Laura Selmer stated she wanted to review Municipal Energy Technical Assistance (META) grants because many communities don't realize they are available to them. She stated that META grants are used for technical assistance. She stated that West Tisbury has a project come up that they were going to have to pay for the design work but now they will be able to get the technical support to cover those engineering fees because of the META grant. She stated that this is not dependent on the status as a green community.

ADMINISTRATOR'S REPORT:

1. **Reminder: Open Meeting Law allowing remote meetings is set to expire March 31, 2025**

Briana Kane stated that the Open Meeting Law allowing remote meetings is set to expire on March 31st. She stated that the Board will need to meet in person for the April Board Meeting if we do not receive any feedback on the open meeting law by the end of this month. She stated that we will share with the Board as soon as we hear anything.

2. **Follow-up on Board Review/Input on Revisions to Cape Light Compact Website**

Jason Bertrand stated that the new Compact website is coming along nicely. He stated that in advance to the next Board Meeting he is going to send the Board a link which will take them to the staged website. He stated that he will also be sending an excel sheet with some instructions for Board Members to track edits or comments they might have on the website. He stated that he is looking for insight on how digestible the information will be to customers and how well the navigation through the website is. Rather than focusing too much on typos as those things can be fixed later.

3. **Options for Additional Funds for Cape & Vineyard Solar Loan Program**

Martin Culik stated that at the press conference on the Cape & Vineyard Solar Loan Program, David Anthony had spoken to him afterwards and stated that the Compact has the infrastructure in place, but the funds are limited, and the Compact is unsure about a second round. He stated that David Anthony suggested that the Compact could look into other funds. He stated that the heavy lifting of getting the program in place, figuring out the partners, creating the forms, etc. has already been done. He stated that the program has been very popular and that it would be a shame for it to just go away. He stated that he thinks that is the value of this Board with its diverse backgrounds. He stated that Board Members may come from an area where there might be an opportunity to connect some people to help fund a program like this.

Martin Culik stated that with some effort he believes the Compact and the Board may be able to find the funding. He stated that if the Board has any thoughts to reach out for further discussion. Suzanne Ryan-Ishkanian stated that she knows how to use the directory of funders and foundations. She stated that she can do some investigating into that. Valerie Bell stated that it would also be worth talking to Cape Cod 5 because they have their own foundation.

ADJOURNMENT:

Motion to adjourn made at 4:42PM moved by Robert Schofield, seconded by Suzanne Ryan-Ishkanian.

David	Anthony	Barnstable	Yes
Robert	Schofield	Bourne	Yes
Brian	Miner	Chatham	Yes
Tim	Carroll	Chilmark	Yes
Brad	Crowell	Dennis	Yes
Tom	McNellis	Eastham	Yes
Alan	Strahler	Edgartown	Yes
Scott	Mueller	Falmouth	Yes
Valerie	Bell	Harwich	Yes
Martin	Culik	Orleans	Yes
Nate	Mayo	Provincetown	Yes
Russ	Hartenstine	Tisbury	Yes
Bob	Higgins-Steele	Truro	Yes
Suzanne	Ryan-Ishkanian	Wellfleet	Yes
Nicola	Blake	West Tisbury	Yes
Joyce	Flynn	Yarmouth	Yes

Motion carried in the affirmative (16-0-0)

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:

- Meeting Notice/Agenda
- January 8, 2025, and February 19, 2025, Draft Open Session Meeting Minutes
- 2025-2027 Energy Efficiency Plan Order PowerPoint
- Power Supply Marketing PowerPoint
- 2025 Main Streets & Small Business Updates PowerPoint
- Green Communities Update PowerPoint

Cape Light Compact

Your Trusted, Local Energy Resource

DPU Order: Preliminary Residential Budget Cuts

Cape Light Compact Governing Board
April 9, 2025

Residential budget cut recap

- $500M reduction (50% gas, 50% electric); proportionate by budget
- EES limit year-over-year of no more than 15% increase
- CLC budget reduction = $24,305,069 (or roughly $8.1M/year)
- Due Date = April 30, 2025

EES = Energy Efficiency Surcharge

Guiding Principles

MAINTAIN PROGRAM DESIGN (WITH FOCUS ON EQUITY)

RECALIBRATE FOR RECENT PIPELINE

REDUCE NON-ENERGY SAVING BUDGETS WHEREVER POSSIBLE

Budget reductions

Reduction Description	2025-2027 ($)	2025-2027 (GHG)
RCS Scorecards – eliminate all	4,795,200.00	N/A
Reduce statewide marketing by 10%	42,299.40	N/A
Reduce residential evaluation by 10%	83,960.90	N/A
Reduce language access costs by 10%	83,966.00	N/A
Increase for statewide call center in 2027	-368,467.00	N/A
Reduce standard HP turnkey projects in 2027	8,568,000.00	1059 metric tons
Reduce prescriptive HP pool + HEAT Loan by 30%	13,768,455.00	5877 metric tons

Notes:
16% cost reduction
21% GHG reduction
Statewide alignment

Including Low Income and C&I sectors, the cost/Avoided CO2e (metric tons) went from $2986 to $2983

GHG reductions

December 2024 Compliance Filing

2025-2027 Avoided CO2e (Metric Tons)	
	2030
A - Residential	**32,994**
A1 - Residential Offerings	32,994
A1a - Residential New Homes & Renovations	2,703
A1b - Residential Turnkey Solutions (1-4 Units)	7,720
A1c - Residential Turnkey Solutions (5+ Units)	288
A1d - Residential Rebates	22,283

Modeled Reductions – March 2025

2025-2027 Avoided CO2e (Metric Tons)	
	2030
A - Residential	**26,057**
A1 - Residential Offerings	26,057
A1a - Residential New Homes & Renovations	2,703
A1b - Residential Turnkey Solutions (1-4 Units)	6,661
A1c - Residential Turnkey Solutions (5+ Units)	288
A1d - Residential Rebates	16,406

Upcoming Meetings and Deadlines

- April 14 – Deadline for parties to submit opposition to Joint Motion for Reconsideration and Clarification (Cape Light Compact is not a party given that this affects performance incentives)
- April 16 – Energy Efficiency Advisory Council (EEAC) Meeting
- April 17 – DPU energy efficiency surcharge (EES) technical session
- April 30 – Compliance filing due date

APPENDIX

2025-2027 Planned values

Residential Programs at a glance

	A1 - Residential Offerings	
Helps to achieve stretch and opt-in code	A1a - Residential New Homes & Renovations	
	A1b - Residential Turnkey Solutions (1-4 Units)	Home energy assessment installations; includes enhanced incentives for renter and moderate income
Includes condos	A1c - Residential Turnkey Solutions (5+ Units)	
	A1d - Residential Rebates	Market-based rebate applications like heat pumps, lawn equipment
Peak demand reductions (i.e. thermostats)	A1f - Residential ConnectedSolutions	
	A2- Residential Hard-to-Measure	
	A2a - Residential Statewide Marketing	Mass Save brand marketing and support
Increase public access to data	A2b - Residential Statewide Database	
	A2c - Residential DOER Assessment	
Sponsoring trade organizations for information/access	A2d - Residential Sponsorships & Subscriptions	
	A2f - Residential Evaluation and Market Research	Third-party evaluations of offerings
	A2g - Residential Outside Consultants	
Financing for heat pumps and more	A2i - Residential HEAT Loan	
	A2j - Residential Education	K-12 education (i.e. kits)
Home energy assessment costs (not installations)	A2k - Residential Conservation Services (RCS)	
	A2l - Residential Community Efforts	Education grants (previously FCEN)
	A2m - Residential Statewide Contact Center	
DPU Order language – transition plan	A2n - Residential Language Access	Language translation and services
	A2o - Residential Workforce Trainings	
Training for industry partners	A2p - Residential Workforce Development - CEC	

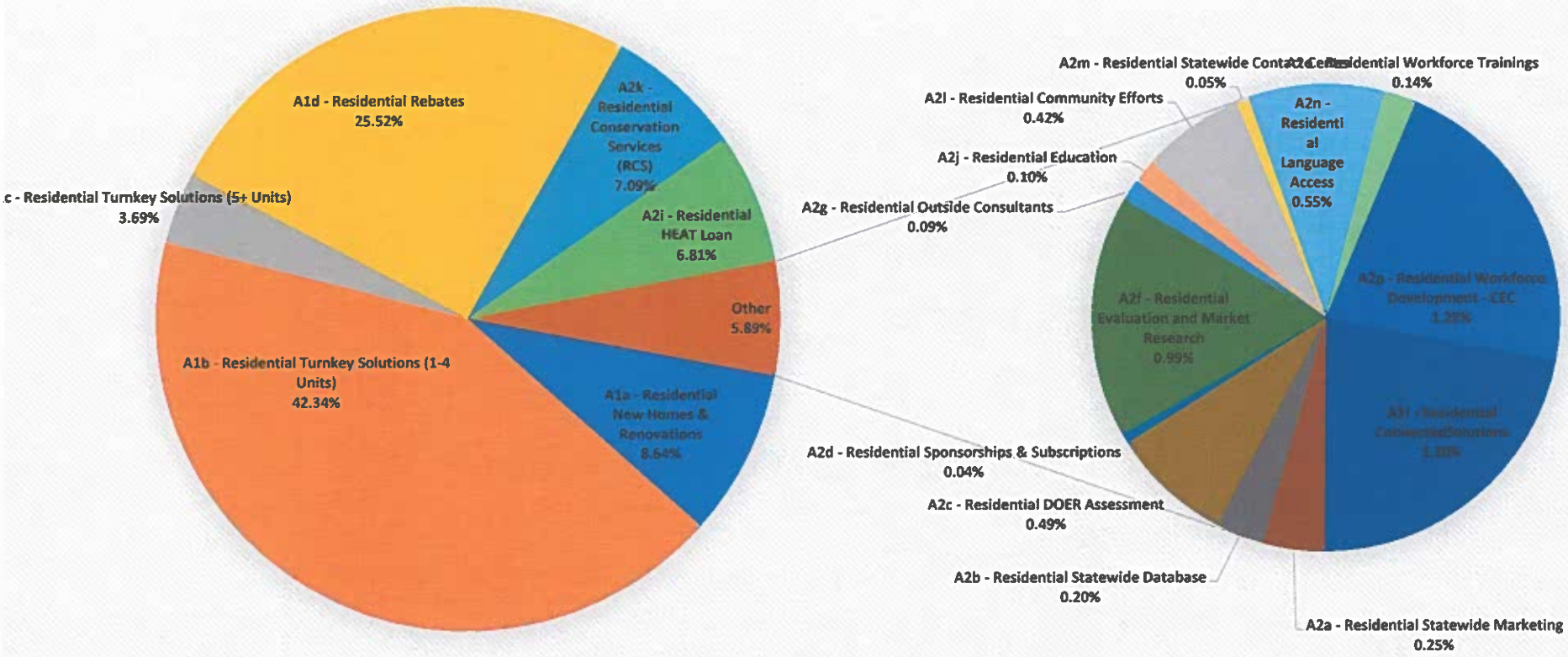
Yellow highlight indicates costs that are assigned

Cape Light Compact

2025-2027 Planned Residential Budgets

A - Residential	$ 168,416,740.49
A1 - Residential Offerings	$ 137,261,897.89
A1a - Residential New Homes & Renovations	$ 14,551,671.38
A1b - Residential Turnkey Solutions (1-4 Units)	$ 71,315,809.48
A1c - Residential Turnkey Solutions (5+ Units)	$ 6,219,217.25
A1d - Residential Rebates	$ 42,982,762.59
A2k - Residential Conservation Services (RCS)	$ 11,947,493.31
A2i - Residential HEAT Loan	$ 11,475,317.88
A1f - Residential ConnectedSolutions	$ 2,192,437.19
A2- Residential Hard-to-Measure	$ 31,154,842.61
A2a - Residential Statewide Marketing	$ 422,995.11
A2b - Residential Statewide Database	$ 329,751.97
A2c - Residential DOER Assessment	$ 832,386.93
A2d - Residential Sponsorships & Subscriptions	$ 66,605.07
A2f - Residential Evaluation and Market Research	$ 1,661,631.79
A2g - Residential Outside Consultants	$ 150,782.58
A2j - Residential Education	$ 165,000.00
A2l - Residential Community Efforts	$ 704,473.14
A2m - Residential Statewide Contact Center	$ 85,500.00
A2n - Residential Language Access	$ 932,955.67
A2o - Residential Workforce Trainings	$ 228,609.20
A2p - Residential Workforce Development - CEC	$ 2,151,339.96

Total Planned Residential Costs 2025-2027



Cape Light Compact

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Data Project

Cape Light Compact Governing Board
April 9, 2025

Background

- Cape Light Compact Energy Efficiency Activity Report
  - Created over 19 years ago to provide data on program participation and energy savings by town
- Information available on Compact's website
  - https://www.capelightcompact.org/reports/monthly-energy-efficiency-town-reports/
- Initially report mailed monthly to Town Managers
  - Presently sent quarterly to Town Managers

What: Update the current Energy Efficiency Program Activity Report and replace with a dashboard that will be town specific

Why: Include data that is useful for the Board and your stakeholders

Energy Efficiency Program Activity Report

Energy Efficiency Program Activity by Town

2/10/25 3:33
Page 1 of 1

Town Name: BARNSTABLE
Program Period: 2024
Current Dates: 12/1/2024 - 12/31/2024
Cumulative Dates: 1/1/2024 - 12/31/2024

	Current Period			Cumulative Period				
Program Initiative	Annual kWh Savings	Actual Expenditures	Participants	Annual kWh Savings	Actual Expenditures	Participants	Budget	Actual % of Budget
A1a - Residential New Homes & Renovations	22,287.31	$40,339.56	5	128,839.64	$182,664.96	159	$0.00	0.00%
A2a - Residential Coordinated Delivery	25,777.00	$57,749.82	51	190,441.00	$567,917.84	598	$2,879,090.25	19.73%
A2b - Residential Conservation Services (RCS)	0.00	$9,060.00	40	0.00	$48,876.30	213	$342,320.00	14.28%
A2c - Residential Retail	41,448.35	$134,739.52	172	179,157.21	$943,177.26	957	$0.00	0.00%
A2d - Residential Behavior	0.00	$0.00	0	0.00	$0.00	0	$0.00	0.00%
A3i - Residential HEAT Loan	0.00	$118,402.71	44	0.00	$970,172.67	260	$0.00	0.00%
Res Subtotal	89,512.66	$360,291.61	312.00	498,437.85	$2,712,808.03	2,187	$3,221,410.25	
Res % of Total	10.62%	27.89%	60.82%	15.33%	38.14%	74.04%	53.74%	
B1a - Income Eligible Coordinated Delivery	9,682.00	$55,481.77	154	159,821.38	$1,674,020.31	485	$1,192,197.68	140.41%
IE Subtotal	9,682.00	$55,481.77	154.00	159,821.38	$1,674,020.31	485	$1,192,197.68	
IE % of Total	1.15%	4.29%	30.02%	4.92%	23.53%	16.42%	19.89%	
C1a - C&I New Buildings & Major Renovations	44,699.00	$18,565.82	3	44,699.00	$41,741.25	5	$0.00	0.00%
C1a - C&I New Buildings & Major Renovations – Municipal	0.00	$0.00	0	0.00	$0.00	0	$0.00	0.00%
C2a - C&I Existing Building Retrofit	626,220.06	$624,250.23	23	1,604,300.20	$2,235,392.67	164	$1,580,952.25	141.40%
C2a - C&I Existing Building Retrofit - Municipal	0.00	$0.00	0	49,821.42	$50,848.00	1	$0.00	0.00%
C2b - C&I New & Replacement Equipment	72,490.92	$33,468.16	21	894,032.78	$398,167.51	112	$0.00	0.00%
C&I Subtotal	743,409.98	$676,284.21	47.00	2,592,853.40	$2,726,149.43	282	$1,580,952.25	
C&I % of Total	88.23%	67.82%	9.16%	79.79%	38.33%	9.55%	26.37%	
Total	842,604.64	$1,292,057.59	513	3,251,112.63	$7,112,978.77	2,954	$5,994,560.18	

Cape Light Compact

Data Protection Requirements

The Department of Public Utilities (DPU) privacy laws, outlined in 201 CMR 17.00, require businesses to protect the personal information of Massachusetts residents.

DPU 20-80-D reiterated limited sharing of data for express purposes. Focus on customer data protections.

2025-2027 Plan Order – aggregation set a 20 customer accounts for residential and C&I data. Suppression for participation is no fewer than 5 participants

Survey Questions

- **Do you look at the Energy Efficiency Program Activity Reports for your town? Yes or No**
  - If no, why not?
- **Is any data on the reports helpful? Yes or No**
  - If yes, which data is helpful?

Survey Questions Continued

What other data would you like to see in the reports?

For example, would you like to see (select all that apply):

- How much kWh did my town save?
- How much kWh did my town use?
- How many incentive dollars were spent in my town?
- How many homes got heat pumps installed?

Survey Questions Continued

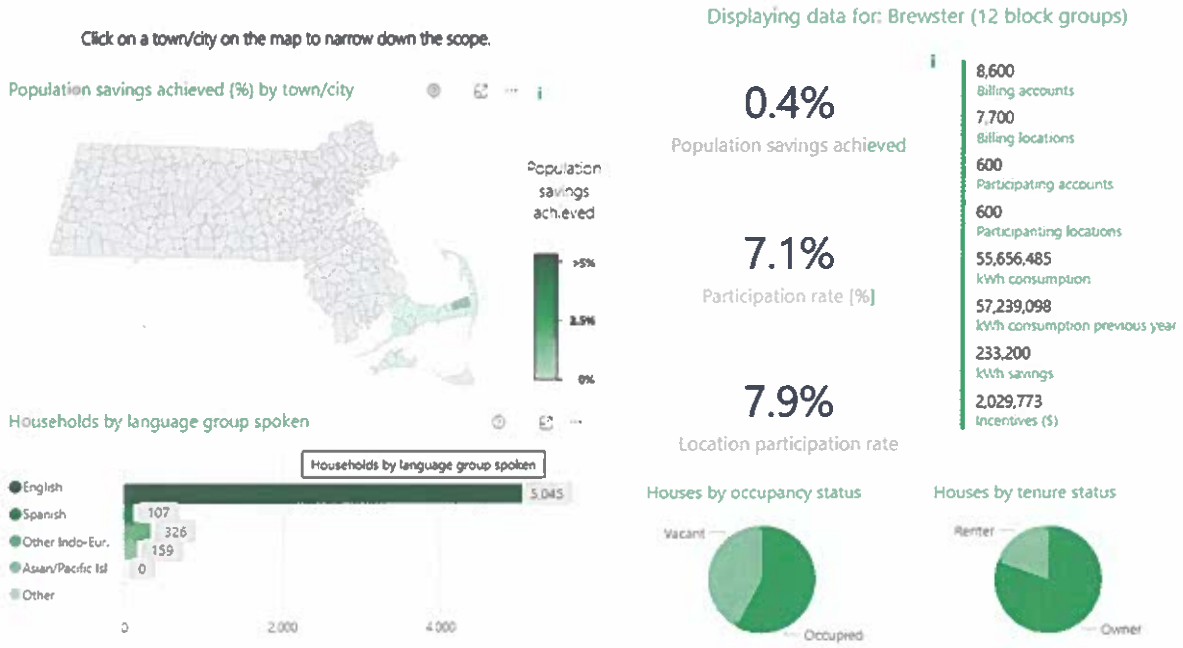
- How many homes got a home energy assessment (HEA)?
- How many businesses got an energy assessment?
- How many electric customers does my town have?
- How many electric customers participated in CLC programs (MassSave) in my town?
- All of the above.
- Other:

Survey Questions Continued

- **Where do you go now to get energy efficiency data for your town?**
- **What energy efficiency questions are you getting from stakeholders?**
  - Tip: Go through old emails to see what questions you received from stakeholders and what questions you have sent to CLC staff.

Dashboard Example

We are looking to create a dashboard to display the data. Share your thoughts on what you would like to see in a dashboard. Feel free to provide links to additional examples of dashboards that you like and why you like it.



Final Thoughts

- **Is there anything else you would like to share?**

Next Steps

The survey will be emailed to you on April 10. Please respond by Friday, April 25.

Questions, contact:

Kim Grant

Kim.grant@capelightcompact.org

774.339.0965

March 31, 2025

Re: Massachusetts Energy Efficiency Program Analysis of Incentives Relative to Energy Efficiency Surcharges

Dear Ms. DiNatale and Mr. Chichirau:

Thank you for your interest in the Mass Save® program and ensuring that all customers across the Commonwealth are able to access and benefit from Mass Save offerings. The Massachusetts Program Administrators[1] ("PAs") write to provide you with the data requested. Included below, and in a separate excel file, you will find presented:

By ZIP Code, Program Administrator type (Electric or Gas), and sector (low-income, residential, commercial and industrial) for program years 2019 through 2023:

- *Total number of ratepayers (including nonparticipants)*
- *Total EES and EERF surcharge collections from all ratepayers*
- *Total program incentives paid to customers*[2]

We would be happy to schedule a time to review the data with you in further detail and answer any questions. Please do not hesitate to reach out if you would like to have a follow-up discussion.

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1 The Massachusetts Program Administrators are: The Berkshire Gas Company, Fitchburg Gas & Electric Light Company d/b/a Unitil, Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty, Massachusetts Electric Company, Nantucket Electric Company, Boston Gas Company and former Colonial Gas Company, each d/b/a National Grid, NSTAR Electric Company, NSTAR Gas Company and Eversource Gas Company of Massachusetts, each d/b/a Eversource Energy, and Cape Light Compact JPE.

2 As discussed in further detail below, all Energy Efficiency surcharge contributions are allocated to running the programs. However, there are additional costs to running these programs beyond payment of incentives and therefore total paid incentives will always represent a share of the total contributions.

mass save

Table of Contents

Summary

Ensuring access to program benefits for low-income customers has been a core focus of the energy efficiency program since its inception. As required by law, the PAs partner with the Low-Income Energy Affordability Network ("LEAN"), a group of local Community Action Program ("CAP") Agencies, to deliver energy services in the Commonwealth to low-income customers. This structure is carefully designed to take advantage of federal Low-Income Home Energy Assistance Program ("LIHEAP") and Weatherization Assistance Program ("WAP") funding for low-income customers. Through our work with LEAN, the PAs have invested almost $1.8 billion dollars working with more than 600,000 low-income customers[3] since 2010. Equity was one of the key priorities of the 2022-2024 Plan, and for the 2025-2027 Plan, the PAs are proposing to accelerate access to the programs for vulnerable and underserved groups, through almost $2 billion in equity-related energy efficiency and electrification improvements.

More generally, the PAs believe that analyzing incentives as a percent of contributions is problematic due to the many factors influencing both the contributions made through the energy efficiency surcharge ("EES") and the incentives provided for energy efficiency upgrades. To address these concerns, we present some additional data below for 2019 to 2023, which illustrate several key takeaways:

- **Incentives represent a majority of the total costs to deliver the programs, though they do not account for all program expenses.** In addition to participant incentives, there are several other costs associated with operating the programs, many of which are spent directly in service of customers and are necessary in order to provide customer incentives. For example, costs such as outreach and marketing are necessary to educate customers on what the programs offer and how to access incentives, and the cost to fully manage and oversee the delivery of each low-income project is necessary in order for those customers to receive the benefits of those incentives.
- **The programs generate at least two times more benefits across all sectors than the costs paid into the programs.** Customers receive many benefits as a result of program investments, which are not captured by looking exclusively at incentives. These benefits include lower energy bills and/or avoided energy costs; improvements in indoor air quality, comfort and other health indicators for program participants; as well as reductions in greenhouse gas emissions and in the total system costs of building and maintaining the

[3] Low-income customers are defined as those earning up to 60 percent of state median income, as required by LIHEAP. *See* https://www.mass.gov/info-details/help-paying-your-utility-bill. Low-income customers are also often referred to in Program documents as "income-eligible customers," because they qualify for certain additional financial assistance. Low-income customers for this analysis are identified as those customers on the utility discount rate.

electric grid and the gas distribution network—which benefit everyone across the Commonwealth.

- **On the whole, low-income customers continue to receive a significantly higher share of incentives relative to their Energy Efficiency Surcharge ("EES") contributions** (353% across both gas and electric programs). These customers typically contribute less to the surcharge and also benefit from energy efficiency upgrades at no cost, resulting in a higher percentage of incentives relative to their contributions.
- **The programs also effectively serve municipalities across all income levels.** Generally, municipalities with the lowest median incomes received the highest incentives as a percent of EES Contributions (110%), and the municipalities in the highest income group received the lowest incentives as a percent of EES Contributions (81%).
- **Looking at incentives as a function of contributions is particularly problematic at an individual town level due to the many factors influencing both the contributions made through the EES and the incentives provided for energy efficiency upgrades.**
    - Overall, towns with lower average contributions per household often either have no gas service, and hence a high share of customers who heat with delivered fuels, or are served by a Municipal Light Plant ("MLP"), or have a higher share of low-income customers, while towns with higher average contributions per household have a much higher share of gas heating and a lower share of low-income customers.
    - Towns with higher average incentives per household tend to have a lower share of renters, multi-family housing, homes built before 1950, and low-income customers, while towns with lower average incentives per household have a much higher share of renters, multi-family housing, homes built before 1950, and gas heating.
    - To address these disparities, the program is working to increase levels of service to historically underserved groups. For the 2025-2027 plan, the PAs have proposed to invest $1.9 billion for energy efficiency and electrification improvements for low-income customers and underserved communities and customer groups, including moderate-income customers, renters, customers that prefer to be served in a language other than English ("LOTE customers"), and small businesses, and deliver over $4.4 billion in equity-related benefits.[4]

Further details and supporting data for each of these takeaways are included below.

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[4] In its Order approving the 2025-2027 Plan with modifications, the Department directed the PAs to reduce the residential sector budget by $500 million. The PAs are working with the Department of Energy Resources ("DOER"), the Attorney General's Office ("AGO"), and the Energy Efficiency Advisory Council ("EEAC") to develop a proposal for cuts to the residential sector budget and file it with the Department by April 30, 2025. These cuts will likely affect the total level of equity-related investments under the Plan.

Analysis

The PAs reviewed all available data to ensure that it is as complete and accurate as possible and present preliminary findings below. From a methodological perspective, customer-level energy use data was used to impute the total Energy Efficiency Surcharge ("EES") contributions based on the appropriate rate per kilowatt hour ("kWh") or therm of consumption according to the billing period dates and rate code using the values shown in Appendix B. The EES rates are charged based on each kWh or therm of customer consumption and vary by Program Administrator and customer class. The gas and electric EES charges and incentives were then aggregated by ZIP Code and sector. The total ratepayers were also aggregated by ZIP Code and sector based on the unique number of accounts as of December 31 in each of the applicable years. Further details on the methodology and nuances of this dataset are described in Appendix A. The rest of the memorandum presents findings based on a preliminary analysis of the data.

Incentives as percent of EES

Program incentives represent the majority of total costs associated with running energy efficiency programs, though they do not account for all program expenses. In addition to participant incentives, there are several other costs associated with operating the programs. Many of these non-incentive costs are spent directly in service of customers and are necessary to provide customer incentives. For example, these costs include outreach and marketing necessary to educate customers on what the programs offer and how to access incentives, costs to administer rebate incentives, and technical assistance training for contractors who support energy efficiency and electrification improvements.[5] In the low-income program, these costs include the cost of fully managing and delivering each low-income project. Additionally, in 2022 and 2023, the PAs undertook several efforts to increase outreach and education to underserved customers through the Community First Partnership program, targeted marketing, and Community Education grants. The PAs also supported efforts to increase workforce diversity through the Clean Energy Pathways program, Workforce partnership grants, Supplier Diversity summits, and significant funding to the Massachusetts Clean Energy Center ("MassCEC"). For 2022 and 2023, these workforce diversity and community outreach and education efforts equaled approximately $35 million.

As shown in Table 1, incentives represent an average of 75 percent of total program costs. Accordingly, we would expect the ratio of incentives to EES on average to be 75 percent.

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5 Other costs include categories such as program administration and overhead, research and development, program evaluation, and sales for C&I customers.

Table 1. 2019-2023 Total Incentives as a percent of total Energy Efficiency Spending

Category	Sector	Sum of Participant Incentive	Sum of Total Expenditures	Incentives as a Percent of Total Spending
Electric	Residential	$1,139,118,963	$1,510,023,188	75%
	Income Eligible	$302,102,760	$396,601,189	76%
	C&I	$939,151,314	$1,241,676,311	76%
Electric Total		$2,380,373,037	$3,148,300,688	76%
Gas	Residential	$801,727,857	$1,028,748,743	78%
	Income Eligible	$261,452,625	$335,387,676	78%
	C&I	$151,111,258	$270,651,165	56%
Gas Total		$1,214,291,740	$1,634,787,584	74%
Total		**$3,594,664,777**	**$4,783,088,272**	**75%**

More broadly, customers receive many monetary and non-monetary benefits as a result of program investments, which are not captured by looking exclusively at incentives. By statute, the program is required to generate more benefits than costs—which means that residents and businesses receive greater benefits from the program as a whole than the costs paid into the program. Monetary benefits include lower energy bills and/or avoided energy costs as a result of installing energy efficiency measures, which are important for reducing energy burdens. Non-monetary benefits include improvements in indoor air quality, comfort and other health indicators for program participants, as well as reductions in greenhouse gas emissions and in the total system costs of building and maintaining the electric grid and the gas distribution network—which benefit everyone across the Commonwealth. Tables 2 and 3 below show the share of benefits by sector and PA type. As shown in these tables, the benefits to Massachusetts customers across all sectors are more than double the costs across both gas and electric investments. The benefits generated by serving low-income customers are two to three times the cost of serving these customers.

Table 2. 2019-2023 Electric Cost-Effectiveness Analysis (millions of $s)

Sector	Benefit-Cost Ratio	Net Benefits	Total Resource Benefits	Total Resource Costs
Residential	**1.99**	1,858.38	3,742.05	1,883.67
Income Eligible	**2.14**	455.66	856.40	400.74
Commercial & Industrial	**2.70**	3,186.37	5,064.57	1,878.21
All Sectors	**2.32**	5,500.41	9,663.02	4,162.62

Table 3. 2019-2023 Gas Cost-Effectiveness Analysis (millions of $s)

Sector	Benefit-Cost Ratio	Net Benefits	Total Resource Benefits	Total Resource Costs
Residential	**1.52**	670.17	1,967.29	1,297.12
Income Eligible	**3.31**	789.71	1,131.39	341.69
Commercial & Industrial	**3.03**	668.59	998.19	329.60
All Sectors	**2.08**	2,128.47	4,096.87	1,968.40

Analyses by Sector

The table below shows that there are significant differences across sectors in incentives that were paid as a percent of EES contributions. Overall, customers received approximately 80% of incentives as a share of their contributions across all sectors and PA types (Table 4 below). Unsurprisingly, customers in the income eligible sector received more incentives than they paid in EES contributions (353 percent over the 2019-2023 period). These customers are eligible for utility rate discounts which lower their EES contributions. To make up the difference, low-income contributions are substantially subsidized by residential and C&I customers—which is one reason why these sectors received a lower amount of incentives as a share of contributions. Finally, low-income customers are also eligible for no cost energy efficiency upgrades, including weatherization, heating systems and remediation of barriers necessary to enable the installation of energy saving measures, which results in higher incentives as compared with market rate customers.

Table 4. 2019-2023 Total Incentives as a percent of total Energy Efficiency Surcharge Contributions (millions of $)

Sector	Incentives*	EES Contributions	Incentives as a Percent of EES Contributions
Combined Electric & Gas	**$3,595**	**$4,500**	**80%**
Residential	$1,941	$2,545	76%
Income Eligible	$564	$160	353%
Commercial & Industrial	$1,090	$1,796	61%
Electric	$2,380	$2,902	82%
Residential	$1,139	$1,499	76%
Income Eligible	$302	$53	569%
Commercial & Industrial	$939	$1,350	70%
Gas	$1,214	$1,598	76%
Residential	$802	$1,046	77%
Income Eligible	$261	$106	246%
Commercial & Industrial	$151	$446	34%

*The incentives include financing and other incentives that could not be mapped to ZIP Codes.

Analyses by Income and Municipality

To analyze how incentives were allocated to residential customers of varying income levels, we grouped municipalities by median income based on 2023 American Community Survey Census data. We then calculated the total incentives and EES contributions for residential and low-income customers in these municipalities and divided these amounts by the number of households in that municipality to arrive at average incentives and EES contributions per household. Under this approach, municipalities at all median incomes, received amounts of incentives as a share of contributions in the range of 81 to 110 percent—indicating that the program is effective in providing incentives across all income levels in proportion to contributions (see Table 5).[6] Generally, municipalities with the lowest median incomes, which represent income levels for low- and moderate-income customers, received the largest incentives as a percent of EES Contributions

[6] As noted above, low-income contributions are substantially subsidized by residential and C&I customers and are eligible for no cost energy efficiency upgrades. Subsidies to low-income customers, including from C&I customers, result in an overall higher share of incentives to EES contributions for residential and low-income customers in municipalities at all median incomes (81% to 110%) than across all sectors as a whole (80% as shown in Table 4).

(110%) and the municipalities in the highest income group received the least incentives as a percent of EES Contributions (81%).

Table 5. 2019-2023 Residential and Low-Income Incentives as a Share of EES Contribution by Income and Municipality

Median Income Groupings	Avg Median Income	# of Muni's	EES/ Household	EES/HH Quartile	Incentives/ Household	Incentive/ HH Quartile	Avg Incentives/ Avg EES*
<80% SMI	$69,391	55	$856	1.9	$943	2.2	110%
80-100% SMI	$92,334	83	$1,064	2.4	$1,067	2.6	100%
100%-120% SMI	$110,871	74	$970	2.5	$947	2.4	98%
120%-150% SMI	$133,565	65	$932	2.6	$781	2.2	84%
150%+ SMI	$188,822	57	$1,374	3.2	$1,116	3.0	81%

**Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates*

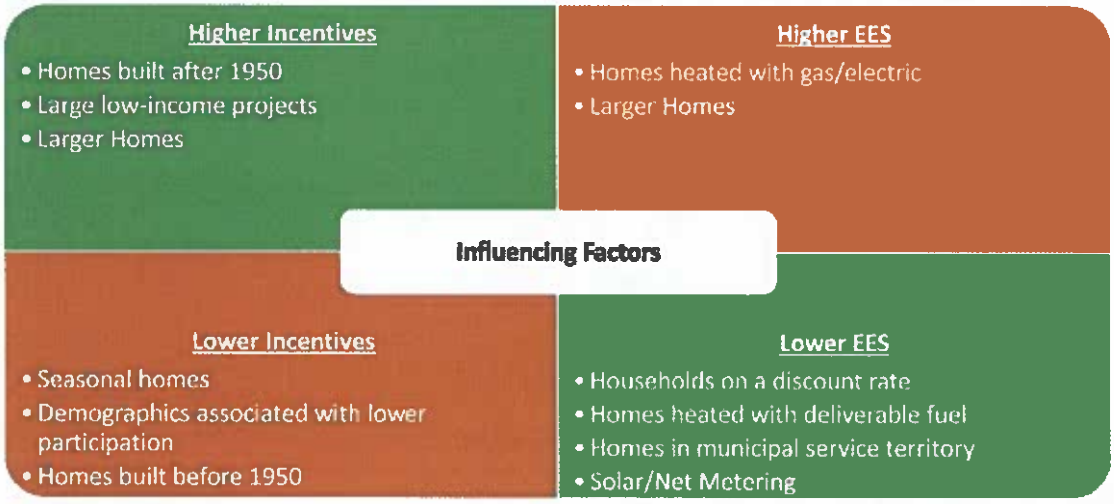
*** Includes total claimed incentives and/or EES contributions for residential and low-income customers in relevant ZIP Codes.*

Town-Level Analyses

Looking at incentives as a percent of contributions is problematic at an individual town level due to the many factors influencing both the contributions made through the EES and the incentives provided for energy efficiency upgrades. Several key factors shape the level of incentives a municipality receives as a proportion of contributions (see Figure 1 below):

- *Gas Heating Share:* Municipalities that rely more on gas heating tend to have higher EES contributions because customers in these towns are paying charges on both gas and electric usage.
- *Delivered Fuels Heating Share:* Municipalities with a higher share of customers that heat with delivered fuels tend to have lower EES contributions because they do not pay EES contributions on their oil and propane usage.
- *Low-Income Population:* Municipalities with a higher percentage of low-income residents tend to have a lower contribution level. While in general towns with higher income eligible populations have lower incentives due to lower participation rates, in some towns we can see higher incentive/contribution ratios due to high low-income program activity.
- *Renters:* Municipalities with a higher percentage of renters typically receive less incentives as a share of contributions due to lower participation and therefore lower incentives.

Figure 1: Factors Influencing Level of Contributions and Incentives Paid by Town



** As identified in the 2020 Residential Non-Participant Study, these groups include renters, lower and moderate income residents, and residents that prefer to be served in a language other than English.*

Contributions per Household by Town

As shown in Table 6 below, towns with lower average contributions per household often either have no gas service, and hence a high share of customers who heat with delivered fuels, or are served by a Municipal Light Plant (MLP), and have a higher share of low-income customers (Quartile 1). Alternatively, towns with higher average contributions per household have a much higher share of gas heating and a lower share of low-income customers (Table 6, Quartile 4).

Table 6: 2019-2023 Gas and Electric EES Contribution by Household: Quartile Definitions & Characteristics

EES Per HH Quartiles	# of Towns	Avg EES/ HH Contribution	# of Towns with Muni Electric	% Elec IE Rate Customers*	% Heating with Delivered Fuel	% Heating With Gas
<$760 (1)	84	$435	46	15%	61%	25%
$760-$976(2)	83	$867	2	13%	53%	29%
$976-$1,262 (3)	83	$1,096	1	10%	44%	42%
$1,262+ (4)	84	$1,745	0	5%	42%	46%

Note: The EES contribution per Household is calculated summing contributions for Gas as well as Electric and dividing that sum by the number of households for that town.

** The calculation for Elec IE Rate customers in each quartile only includes towns with Electric customers and removes towns fully served by a Muni Electric.*

Incentives per Household by Town

Towns with higher average incentives per household tend to have a lower share of renters, multi-family housing, homes built before 1950, and low-income customers compared with towns in lower quartiles (see Table 7 below, Quartile 4). Conversely, towns with lower average incentives per household have a much higher share of renters, multi-family housing, homes built before 1950, and gas heating compared with towns in higher quartiles (see Table 7 below, Quartile 1). This data aligns with findings from the 2020 Residential Non-Participant Study, which found that households with higher proportions of low and moderate income, renters, limited English proficiency, gas heating, and homes built prior to 1950 are associated with lower participation in energy efficiency programs.[7]

Table 7: 2019-2023 Gas and Electric Incentives by Household: Quartile Definitions & Characteristics

Incentive Per HH Quartiles	Avg Incentive /HH	# of Towns	% Renter	% Multifamily	% Elec IE Customers*	% Homes Built <1950	% Heating with Gas
<$686 (1)	$396	84	27%	16%	13%	31%	37%
$686-$921 (2)	$827	83	27%	15%	12%	31%	42%
$921-$1,170 (3)	$1,030	83	21%	10%	10%	28%	34%
$1,170+ (4)	$1,636	84	16%	6%	7%	23%	28%

Note: The Incentive per Household is calculated summing incentives for Gas as well as Electric and dividing that sum by the number of households for that town.

** The calculation for Elec IE Rate customers in each quartile only includes towns with Electric customers and removes towns fully served by a Muni Electric.*

To address these disparities, the programs have prioritized increasing levels of service to historically underserved groups. For the 2025-2027 plan, the PAs have proposed to invest $1.9 billion for energy efficiency and electrification improvements for low-income customers and underserved communities and customer groups, including moderate-income customers, renters, LOTE customers, and small businesses, and deliver over $4.4 billion in equity-related benefits (see Figure 2 below).[8] This includes efforts to:

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7 *See* Residential Nonparticipant Customer Profile Study (MA19X06-B-RESNONPART), produced for the Massachusetts PAs by DNV GL, Feb. 6, 2020. Residential Nonparticipant Market Characterization and Barriers Study (MA19X06-B-RESNONPART), produced for the Massachusetts PAs by Navigant, Illume, and Cadeo, Feb. 27, 2020. Commercial and Industrial Small Business Nonparticipant Customer Profile Study (MA18X11-B-SBNONPART), produced for the Massachusetts PAs by DNV GL, Apr. 15, 2020. Massachusetts Limited English Proficient and English-isolated Customer Journey Mapping and Barriers Study (MA21R37-B-LEPJM), produced for the PAs by Guidehouse, Illume, and Cadeo, Oct. 25, 2023.

8 *Supra* note 4.

- **Increase electrification and continue to expand access to weatherization for low-income customers** through automated data sharing on categorical eligibility to increase enrollment on the discount rate and expand the list of eligible customers and continue to leverage contractors and vendors from the market rate program to ensure sufficient workforce capacity to serve low-income customers. Over the 2025-2027 Plan, the PAs and their partner CAP agencies aim to weatherize over 42,000 low-income homes and install heat pumps at more than 16,000 low-income housing units.
- **Increase moderate-income participation** by expanding the definition of "moderate-income" to consider both state and area median income and making moderate-income offerings available to landlords whose tenants meet these income qualifications. To reduce out-of-pocket costs and remove barriers to participation, the PAs will offer no-cost weatherization, barrier remediation, and electrification to moderate-income customers. These measures will be delivered via a turnkey solution, streamlining the customer experience, ensuring quality installations, and managing costs. To further reduce barriers to qualification, the PAs also propose to continue allowing moderate-income customers to qualify for no-cost weatherization by self-attesting to their household income and household size.
- **Increase participation for residential renters and rental properties, with a particular focus on designated equity communities:** To more comprehensively serve residential renters and rental properties, the PAs will provide no-cost weatherization, barrier remediation, and electrification for rental properties in designated equity communities where electrification will not increase renters' energy burdens and automatically qualify all properties with more than 50% rental units within these communities for the offer. This will include coordination of (or "turnkey") delivery of services to address time constraints, manage costs, and improve the customer experience, as well as outreach to landlords. To help protect against increased energy burdens, landlords will be required to sign a form—similar to what is currently required in the low-income program—committing not to raise rent or evict tenants for a period following the receipt of program incentives. The PAs worked collaboratively with DOER and the Equity Working Group, a subcommittee of the EEAC, to establish the criteria and select designated equity communities for the 2025-2027 Plan. With the exception of the Cape Light Compact, which has a unique territory, the PAs selected communities in which: (1) more than 35 percent of the population are renters; (2) there were greater than 8,000 renters; and (3) more than 50 percent of the population are low- or moderate-income. The Cape Light Compact selected designated equity communities in which at least 28% of the population were renters and at least 40% of the population were low- or moderate-income.[9] The process resulted in selection of 21 communities, including: Boston, Brockton, Chelsea, Everett, Fall River, Framingham, Fitchburg, Lawrence, Lowell, Lynn, Malden, New Bedford, Oak Bluffs, Pittsfield, Quincy, Revere, Salem, Springfield, Tisbury, Woburn, and Worcester.[10]

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9 D.P.U. 24-146, Record Request, DPU-6.

10 2025-2027 Plan at 13.

- **Enhance support for LOTE customers** by improving language access throughout the customer journey, including material translations, interpreter services, and multilingual staff. The PAs worked with vendors to develop language access strategies for residential and small business programs, starting with the five most commonly spoken languages in Massachusetts other than English, including Spanish, Portuguese, Mandarin, Cantonese, and Haitian Creole. These languages were identified based on the results of the study as the area of greatest and most immediate need for enhancing language access support. The study and recommendations were released in draft in June. The PAs have committed to implementing the recommendations and are working to operationalize them within the programs. CFPs will also provide additional language support in communities where other languages are spoken. As part of these efforts, the LEAN Statewide Client Services Center and the Mass Save Statewide Contact Center will be positioned to comprehensively serve LOTE customers.

Figure 2: Our Equity Investment for the 2025-2027 Term

Equity Investment	Plan
Low- and moderate-income incentives	$1.3 billion
Renter incentives*	$616 million
Small business turnkey incentives	$96 million
Community engagement	$24 million
Language access	$24 million
Workforce development	$88 million
Program support, includes low-income and small business turnkey support	$244 million
Total Equity Investment	**$1.9 billion**

*Note: Renter incentives include incentives to low-, moderate- and non-income qualified renter households and therefore there is overlap between the low-and moderate-income incentives and the renter incentives noted above.

For further details, please refer to the Equity Section of the 2025-2027 Plan.

Incentives as a Function of EES: Town-level Examples

Pulling together prior insights on what drives contributions and incentives, the data in Table 8 below with the highest incentives as a function of EES contributions often either have no gas service or are served by a Plant (MLP), or have a high share of low-income customers, resulting in lower overall contributions. Conve the lowest incentives as a function of contributions tend to be more varied and represent wealthier communitie higher percentage of gas-heated homes and renters.

Table 8: 2019-2023 Incentives as a Function of EES for Select Towns

	Incentives as a Function of EES	EES Contribution / HH Quartile	Incentives / HH Quartile	% of Customers on Income Eligible Rate	% Heating with Gas
Nantucket	30%	Highest EES (4) ↑	Lower incentives (2) ↓	Lowest IE (1%) ↓	No gas ↓
Weston	39%	Highest EES (4) ↑	Highest incentives (4) ↑	Lowest IE (3% Elec, 2% Gas) ↓	Highest Gas Heat (65%) ↑
Everett	49%	Lower EES (2) ↓	Lowest incentives (1) ↓	Highest IE (20% Gas, 15% Elec) ↑	Highest Gas Heat (66%) ↑
Taunton	50%	Lowest EES (1) ↓	Lowest incentives (1) ↓	Muni Elec & Highest IE Gas (21% Gas) ↑	Higher Gas Heat (51%) ↑
Lawrence	75%	Lower EES (2) ↓	Lower incentives (2) ↓	Highest IE (43% Gas; 35% Elec) ↑	Highest Gas Heat (69%) ↑
Wilmington	101%	Lowest EES (1) ↓	Lowest incentives (1) ↓	Muni Elec, Lower IE Gas (7% Gas) ↓	Lower Gas Heat (32%) ↓
Peabody	107%	Lowest EES (1) ↓	Lowest incentives (1) ↓	Muni Elec, Higher IE (13% Gas) ↑	Higher Gas Heat (51%) ↑
Salem	117%	Lower EES (2) ↓	Higher incentives (3) ↑	High IE & Incentives 12-14% IE & ~$2k+ incentive per IE acct ↑	Highest Gas Heat (56%) ↑
Sturbridge	147%	Lower EES (2) ↓	Highest incentives (4) ↑	High IE & Incentives 11% IE & $3.6k incentive per IE Elec acct ↑	No Gas ↓
Barre	159%	Lower EES (2) ↓	Highest incentives (4) ↑	High IE & Incentives 14% IE & $3.2k incentive per IE Elec acct ↑	No Gas ↓
Provincetown	188%	Highest EES (4) ↑	Highest incentives (4) ↑	Lowest IE (5% Elec) ↓	No Gas ↓

Conclusion

On the whole, when viewing the data across both electric and gas customers, incentives for residential and low-income customers as a function of contributions range from 81 to 110 percent across all municipal income levels. However, municipalities in the lowest income group received the highest amount of incentives as a function of their contributions during the 2019-2023 period, while municipalities in the highest income group received the lowest amount. Low-income residential customers receive several times more incentives than contributions—indicating that the low-income program is successfully ensuring that low-income customers are able to access and benefit from these programs.

There are many factors that influence the level of contributions paid and incentives received, which make it difficult to draw detailed conclusions from the level of incentives paid as a function of contributions at an individual town level. Viewing the data for each piece individually can reveal additional insights, however. For example, towns with lower average contributions per household often either have no gas service, and hence a high share of customers who heat with delivered fuels, or are served by a MLP. Viewing incentives per customer on its own shows that towns with lower average incentives per household have a much higher share of renters, multi-family housing, homes built before 1950, and gas heating. This finding potentially suggests that additional efforts and sources of funding are needed to overcome barriers to serving renters, particularly those that live in older buildings where there may be significant structural barriers to address prior to weatherizing and electrifying those homes.

The PAs worked in the 2022-2024 Three-Year Plan term to support underserved populations, such as renters, and are proposing to further and substantially increase investments for those customer groups in the 2025-2027 Plan. We look forward to continuing to partner with stakeholders, customers, contractors, and others to ensure that all Massachusetts residents and businesses benefit from the program and that the program supports a just transition to clean energy for the Commonwealth's buildings.

We would be happy to schedule a time to review the data with you in further detail and answer any questions. Please do not hesitate to reach out if you would like to have a follow-up discussion.

Sincerely,

The Massachusetts Program Administrators

Katherine Peters
Director, Residential Energy Efficiency
Eversource Energy

Christopher Porter
Director, Customer Energy Management
National Grid

Cindy L. Carroll
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Unitil Service Corp.

/s/ *Jillian Winterkorn*
Jillian Winterkorn
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Liberty Utilities

Margaret T. Downey
Administrator
Cape Light Compact JPE

Appendix A: Methodology

The PAs worked with the Energy Efficiency data management vendor ("data management team") to respond this request.[11] The data management team used customer-level energy use data to impute the total Energy Efficiency Surcharge ("EES") contributions based on the rates that were in place for the 2019 through 2023 period.[12] The EES rates are charged based on each kilowatt hour ("kWh") or therm of customer consumption and vary by Program Administrator and customer class. The data management team applied the appropriate rate per kWh or therm of consumption based on the billing period dates and rate code using the values shown in Appendix B. Gas and electric EES charges and incentives were then aggregated by ZIP Code and sector. The total ratepayers were also aggregated by ZIP Code and sector based on the unique number of accounts as of December 31 in each of the applicable years.

In order to protect customer privacy, all data was aggregated according to the standards established for the program by the Department of Public Utilities under Order D.P.U. 14-141. These standards require that:

- for the residential and residential income eligible sectors, aggregated data must represent at least 100 customers; and
- for the commercial and industrial sector, aggregated data must represent at least 15 customers, with no single customer accounting for more than 15 percent of electric or gas usage.[13]

Zip code data that did not meet these standards, which total just over one percent of incentives, were combined and included in a separate, standalone category by fuel, year, and sector. Please see Table A1 below for further details on the ZIP Codes that did not meet Department-required data privacy thresholds.

Data Not Mapped to Zip Codes

In certain situations, the data management team was not able to accurately map program incentives to the ZIP Code using the source data. Overall, a total of nine percent of incentives were not able to be assigned to ZIP codes and therefore aren't represented in the ZIP Code specific data. A large category of affected incentives, 6% in 2019-2021, included incentives paid by the electric PA to buy down the cost of residential upstream measures, including the sale price of efficient

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11 Data for Unitil was provided by Unitil directly, instead of through the data management vendor.

12 For a detailed list of EES rates, please see Appendix B.

13 Order in Response to May 13, 2014 Resolution of the Energy Efficiency Advisory Council, D.P.U. 14-141, at 7 (2014).

light bulbs in stores, smart strips, and pool pumps.[14] For these incentives during the 2019-2021 term only,[15] the PA team used the share of residential and low-income incentive data previously assigned to ZIP Codes by year as the basis for allocation of the upstream incentives, thereby assuming that upstream participation happened in proportion to other participation. We then added those allocated incentives to the total electric incentives for each ZIP Code. The exact distribution of these incentives—all of which were paid and benefited customers—is not calculable based upon the nature of the upstream delivery approach. Accordingly, the PAs have allocated these incentives (which constitute only 6% of total incentives paid in the 2019-2021 term) based upon participation in each ZIP Code in other offerings.

For the remaining categories of incentives, where the data management team could not map the data to ZIP Codes, the incentives have been included in the data but not reported at the ZIP Code level. The two primary categories of incentives that could not be accurately mapped to a ZIP Code include: (1) incentives paid by the electric PA to buy down interest in order to make zero-interest loans available for financing certain measures, also known as "HEAT loans" (approximately 5% of incentives) and (2) active demand reduction incentives for residents and businesses that reduce their load on the electric grid at times of peak usage, which have a different format and are still in the process of being incorporated into the data management team's data warehouse (approximately 2% of incentives). As a result of these factors, electric PA incentives presented at the ZIP Code level are lower than the total incentives paid by electric PAs during the 2019-2023 period.

Finally, a line item representing in aggregate around 1 percent of incentives was added for each sector, year, and PA type (e.g., fuel) to reconcile the total incentives in the dataset to match what was reported to the Department of Public Utilities. Please see Table A1 for further details on incentives that could not be mapped to a ZIP Code.

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[14] To simplify the process by which consumers could receive incentives for energy efficient light bulbs such as LED bulbs, the PAs bought down the cost of LED bulbs sold at stores, such as Home Depot and Lowe's, but did not require the stores to collect or report back on the ZIP Code of every customer who purchased these bulbs.

[15] All measures were tracked to the location where they were installed in 2022 and 2023.

Table A1. Summary of Data Not Mapped to ZIP Codes: 2019-2023 Combined (millions of $)

	Sum of Total Claimed Incentives ($)	Sum of Total EES Contribution ($)	% of Incentives	% of EES Contributions
ZIP Code Data Included	3,266.5	4,484.9	91%	100%
Heat Loan	185.1	-	5%	0%
Active Demand	58.3	-	2%	0%
Does Not Meet Sector Level Privacy Threshold	40.2	10.5	1%	<0.5%
Reconciliation (including unknown ZIP Codes)	44.5	5.1	1%	<0.5%
Total	**3,594.7**	**4,500.4**		

Other Background on the Dataset

There are several additional details that are important to understand when interpreting the data provided.

First, ratepayers with a gas and electric account will show up as two customers in the total ratepayer column and would have EES contributions on both electric and gas bills, whereas a customer on delivered fuels would likely only show up once as a ratepayer and would only pay EES contributions on their electric bill. Additionally, incentives for energy efficient delivered fuels equipment (*e.g.*, oil boilers) are paid for by customers of the electric PA and show up in electric incentives paid, but gas customers can have measures that are paid for by both the gas and electric PA. Relatedly, commercial customers often have multiple accounts across different locations. For example, a municipal customer may have separate accounts for streetlights and offices, while a university may have multiple accounts for different locations across their campus. As a result, the most appropriate approach for understanding the full set of incentives received and EES contributions paid by customers across all fuel types is to view the combined data for gas and electric PAs in a particular ZIP Code.

Second, service in some municipalities is split with a Municipal Light Plant (MLP), which means that a customer may be served by a gas PA and an electric MLP. In other cases, a municipality may be completely served by an electric and gas MLP. MLPs are not regulated by the Department of Public Utilities and have advocated not to participate in the program in order to keep their gas and electric rates low.[16] However, in certain cases, customers in split territories with electric MLPs can still have electric-saving measures installed by the gas PA.

[16] For a detailed list of towns served by electric and/or gas MLPs, please see https://www.mass.gov/info-details/massachusetts-municipally-owned-electric-

Third, from a sector perspective, certain low-income housing is commercially metered, and therefore their contributions appear as part of the commercial and industrial (C&I) sector. However, customers living in this housing receive low-income services based on income qualification, and so the incentives appear in the low-income residential sector. As a result, the C&I sector will always appear to receive a lower level of incentives as a share of contributions because it is explicitly designed to subsidize the low-income program. Additionally, low-income customers are eligible for utility rate discounts which lowers their EES contributions. To make up the difference, low-income contributions are substantially subsidized by residential and C&I customers—which is one reason why these sectors received a lower amount of incentives as a share of contributions.

Fourth, the amount of incentives provided is related to the available opportunities for service in a particular town or city. For example, one town may have already served all its public housing authorities, while another still has buildings that have not yet been served. Investments in particular municipalities or ZIP Codes, therefore, tend to vary across years and locations depending on the history of service and the opportunities available. As a result, it is also important to look across the entire three-year period to account for year-to-year variations and to understand that many of the buildings previously served implemented improvements that last for 15-20 years. A town where a number of housing authorities were served in 2018 or earlier, for instance, will show up in this data set as being 'underserved', because the service did not happen in the 2019-2021 period, even though those residents are still receiving the benefits of that work.

Fifth, during the 2019-2021 period, in particular, explicit measures were taken to protect residents of multi-family housing from the risk of COVID-19. More specifically, large multi-family buildings, housing authorities, managed housing, non-profit housing, and elderly residences put in place stop work orders from June 2020 until Fall 2021 that prevented delivery of multi-family market rate and low-income energy efficiency services to these residents.

Finally, all EES contributions are allocated to running the programs. The EES is a fully reconciling mechanism, not a set pool of money. While there are overall sector budgets that the PAs must stay within, the EES is used to recover the costs that were spent and not otherwise paid for with other sources (*e.g.*, the System Benefits Charge and the Forward Capacity Market payments available to electric PAs). EES rates depend on historic expenditures. If there was a budget surplus due to low expenditures, the EES might be lower than the previous year to account for the over collection of EES funds. If program expenditures are higher than anticipated due to high participation rates, the EES might increase the following year to account for the deficit experienced in the prior year. Due to the nature of the EES being dependent upon the

companies?_gl=1*jamcx*_ga*MTEzOTQ1MTk2OC4xNjc5MDcyMDE0*_ga_MCLPEGW7WM*MTcwMDMxNzg1Mi4xLjAuMTcwMDMxNzg1Mi4wLjAuMA.

previous year's program expenditures, looking at a single year often does not provide a complete picture of the EES contributed and the incentive received. Additionally, the Program Administrators have the ability to seek approval from the Department of Public Utilities for a mid-term modification to increase the budget for the Plan where the opportunity for additional investments and savings exists.

Appendix B: Energy Efficiency Surcharge ("EES") Rates

The table below shows the Energy Efficiency Surcharges ("EES") rates per unit of consumption by Company along with date ranges. The Electric EES is made up of two charges: (1) the EERF is defined in the Company's Energy Efficiency Charges tariff that fund the Company's energy efficiency activities; and (2) a base Energy Efficiency Charge of 0.250 cents per kilowatt-hour ("kWh") charged to all retail customers.

For gas rates, there are no specific discount rates defined but rather the entirety of the bills are discounted by 25 percent. The rates in the table below represent 75 percent of the residential rates.

Company/ Rate Area	Date start	Date end	EES ($)
Electric EES Business Rates[17] per kilowatt-hour ("kWh")			
Cape Light Compact	1/1/2019	12/31/2019	$0.0021
	1/1/2020	12/31/2020	$0.0121
	1/1/2021	12/31/2021	$0.0109
	1/1/2022	12/31/2022	$0.0173
	1/1/2023	6/30/2023	$0.0134
	7/1/2023	12/31/2023	$0.0069
Eversource - Eastern Massachusetts ("EMA")	7/1/2018	12/31/2019	$0.0110
	1/1/2020	6/30/2020	$0.0097
	7/1/2020	6/30/2021	$0.0089
	7/1/2021	6/30/2022	$0.0101
	7/1/2022	6/30/2023	$0.0107
	7/1/2023	6/30/2024	$0.0090
Eversource – Western Massachusetts ("WMA")	7/1/2018	12/31/2019	$0.0122
	1/1/2020	6/30/2020	$0.0120
	7/1/2020	6/30/2021	$0.0084
	7/1/2021	6/30/2022	$0.0105
	7/1/2022	6/30/2023	$0.0109

[17] Business rates are for non-residential use and have been approved by the Massachusetts Department of Public Utilities (DPU). These include electric rates such as General Service, Time of Use, Power Purchase and Street Lighting and gas rates such as G41 (Low Load Factor General Service – Small), G42 (Low Load Factor General Service – Medium), G43 (Low Load Factor General Service – Large, G51 (High Load Factor General Service – Small), G52 (High Load Factor General Service – Medium), G53 (High Load Factor General Service – Large).

Company/ Rate Area	Date start	Date end	EES ($)
	7/1/2023	6/30/2024	$0.0090
National Grid	5/1/2018	4/30/2019	$0.0064
	5/1/2019	4/30/2020	$0.0084
	5/1/2020	4/30/2021	$0.0097
	5/1/2021	4/30/2022	$0.0094
	5/1/2022	4/30/2023	$0.0137
	5/1/2023	4/30/2024	$0.0138
Unitil	6/1/2018	5/31/2019	$0.0067
	6/1/2019	5/31/2020	$0.0049
	6/1/2020	5/31/2021	$0.0085
	6/1/2021	5/31/2022	$0.0073
	6/1/2022	5/31/2023	$0.0108
	6/1/2023	5/31/2024	$0.0122
Electric EES Residential (not discounted) Rates[18] per kilowatt-hour ("kWh")			
Cape Light Compact	1/1/2019	12/31/2019	$0.0203
	1/1/2020	12/31/2020	$0.0216
	1/1/2021	12/31/2021	$0.0258
	1/1/2022	12/31/2022	$0.0405
	1/1/2023	6/30/2023	$0.0305
	7/1/2023	12/31/2023	$0.0258
Eversource – EMA	7/1/2018	12/31/2019	$0.0173
	1/1/2020	6/30/2020	$0.0139
	7/1/2020	6/30/2021	$0.0193
	7/1/2021	6/30/2022	$0.0171
	7/1/2022	6/30/2023	$0.0225
	7/1/2023	6/30/2024	$0.0233
Eversource – WMA	7/1/2018	12/31/2019	$0.0165
	1/1/2020	6/30/2020	$0.0156
	7/1/2020	6/30/2021	$0.0215
	7/1/2021	6/30/2022	$0.0174

[18] Residential rates are for domestic use in single private dwellings, individual apartments or in a residential condominium. These include R1 (Residential Non-Heating) and R3 (Residential Heating).

Company/ Rate Area	Date start	Date end	EES ($)
	7/1/2022	6/30/2023	$0.0223
	7/1/2023	6/30/2024	$0.0233
National Grid	5/1/2018	4/30/2019	$0.0179
	5/1/2019	4/30/2020	$0.0181
	5/1/2020	4/30/2021	$0.0210
	5/1/2021	4/30/2022	$0.0173
	5/1/2022	4/30/2023	$0.0220
	5/1/2023	4/30/2024	$0.0265
Unitil	6/1/2018	5/31/2019	$0.0194
	6/1/2019	5/31/2020	$0.0193
	6/1/2020	5/31/2021	$0.0220
	6/1/2021	5/31/2022	$0.0172
	6/1/2022	5/31/2023	$0.0257
	6/1/2023	5/31/2024	$0.0279
Electric EES Residential Low-Income "Discount" Rates[19] per kilowatt-hour ("kWh")			
Cape Light Compact	1/1/2019	12/31/2019	$0.0001
	1/1/2020	12/31/2020	$0.0017
	1/1/2021	12/31/2021	$0.0015
	1/1/2022	12/31/2022	$0.0023
	1/1/2023	6/30/2023	$0.0022
	7/1/2023	12/31/2023	$0.0150
Eversource – EMA	7/1/2018	12/31/2019	$0.0036
	1/1/2020	6/30/2020	$0.0051
	7/1/2020	6/30/2021	$0.0063
	7/1/2021	6/30/2022	$0.0053
	7/1/2022	6/30/2023	$0.0063
	7/1/2023	6/30/2024	$0.0135
Eversource – WMA	7/1/2018	12/31/2019	$0.0032
	1/1/2020	6/30/2020	$0.0040
	7/1/2020	6/30/2021	$0.0068

[19] Residential discount rates include R2 (Residential Assistance Non-Heating) and R4 (Residential Assistance Heating).

Company/ Rate Area	Date start	Date end	EES ($)
	7/1/2021	6/30/2022	$0.0064
	7/1/2022	6/30/2023	$0.0063
	7/1/2023	6/30/2024	$0.0135
National Grid	5/1/2018	4/30/2019	$0.0050
	5/1/2019	4/30/2020	$0.0055
	5/1/2020	4/30/2021	$0.0049
	5/1/2021	4/30/2022	$0.0042
	5/1/2022	4/30/2023	$0.0044
	5/1/2023	4/30/2024	$0.0055
Unitil	6/1/2018	5/31/2019	$0.0036
	6/1/2019	5/31/2020	$0.0085
	6/1/2020	5/31/2021	$0.0058
	6/1/2021	5/31/2022	$0.0045
	6/1/2022	5/31/2023	$0.0056
	6/1/2023	5/31/2024	$0.0061
Gas EES Business Rates per Therm			
Berkshire	11/1/2018	10/31/2019	$0.0279
	11/1/2019	10/31/2020	$0.0344
	11/1/2020	10/31/2021	$0.0267
	11/1/2021	10/31/2022	$0.0463
	11/1/2022	10/31/2023	$0.0244
	11/1/2023	10/31/2024	$0.0260
Eversource	11/1/2018	10/31/2019	$0.0496
	11/1/2019	10/31/2020	$0.0873
	11/1/2020	10/31/2021	$0.0569
	11/1/2021	10/31/2022	$0.0404
	11/1/2022	10/31/2023	$0.1172
	11/1/2023	10/31/2024	$0.0999

Company/ Rate Area	Date start	Date end	EES ($)
Eversource Gas of MA	11/1/2018	10/31/2019	$0.0440
	11/1/2019	10/31/2020	$0.0595
	11/1/2020	10/31/2021	$0.0547
	11/1/2021	10/31/2022	$0.0651
	11/1/2022	10/31/2023	$0.1113
	11/1/2023	10/31/2024	$0.0986
Liberty	11/1/2018	10/31/2019	$0.0546
	11/1/2019	10/31/2020	$0.0448
	11/1/2020	10/31/2021	$0.0548
	11/1/2021	10/31/2022	$0.0620
	11/1/2022	10/31/2023	$0.0284
	11/1/2023	10/31/2024	$0.0818
Liberty-Blackstone	11/1/2021	12/31/2021	$0.0586
	1/1/2022	10/31/2022	$0.0620
	11/1/2022	10/31/2023	$0.0284
	11/1/2023	10/31/2024	$0.0818
National Grid - Boston Gas	11/1/2018	10/31/2019	$0.0630
	11/1/2019	10/31/2020	$0.0690
	11/1/2020	10/31/2021	$0.0524
	11/1/2021	10/31/2022	$0.0851
	11/1/2022	10/31/2023	$0.1006
	11/1/2023	10/31/2024	$0.1037
National Grid - Colonial Gas	11/1/2018	10/31/2019	$0.0630
	11/1/2019	10/31/2020	$0.0690
	11/1/2020	10/31/2021	$0.0523
	11/1/2021	10/31/2022	$0.0851
	11/1/2022	10/31/2023	$0.1006
	11/1/2023	10/31/2024	$0.1037
Unitil	11/1/2018	10/31/2019	$0.0573
	11/1/2019	10/31/2020	$0.0797
	11/1/2020	10/31/2021	$0.0649
	11/1/2021	10/31/2022	$0.0503
	11/1/2022	10/31/2023	$0.0406

Company/ Rate Area	Date start	Date end	EES ($)
	11/1/2023	10/31/2024	$0.1364
Gas EES Residential (not discounted) Rates per Therm			
Berkshire	11/1/2018	10/31/2019	$0.0749
	11/1/2019	10/31/2020	$0.1304
	11/1/2020	10/31/2021	$0.1489
	11/1/2021	10/31/2022	$0.1854
	11/1/2022	10/31/2023	$0.1847
	11/1/2023	10/31/2024	$0.1986
Eversource	11/1/2018	10/31/2019	$0.1341
	11/1/2019	10/31/2020	$0.1719
	11/1/2020	10/31/2021	$0.1996
	11/1/2021	10/31/2022	$0.1813
	11/1/2022	10/31/2023	$0.2782
	11/1/2023	10/31/2024	$0.2957
Eversource Gas of MA	11/1/2018	10/31/2019	$0.1586
	11/1/2019	10/31/2020	$0.1570
	11/1/2020	10/31/2021	$0.1918
	11/1/2021	10/31/2022	$0.2618
	11/1/2022	10/31/2023	$0.3008
	11/1/2023	10/31/2024	$0.2385
Liberty	11/1/2018	10/31/2019	$0.0882
	11/1/2019	10/31/2020	$0.1361
	11/1/2020	10/31/2021	$0.0834
	11/1/2021	10/31/2022	$0.1725
	11/1/2022	10/31/2023	$0.1843
	11/1/2023	10/31/2024	$0.2120
Liberty - Blackstone	11/1/2021	12/31/2021	$0.2046
	1/1/2022	10/31/2022	$0.1725
	11/1/2022	10/31/2023	$0.1843
	11/1/2023	10/31/2024	$0.2120

Company/ Rate Area	Date start	Date end	EES ($)
National Grid - Boston Gas	11/1/2018	10/31/2019	$0.1323
	11/1/2019	10/31/2020	$0.1486
	11/1/2020	10/31/2021	$0.1793
	11/1/2021	10/31/2022	$0.2330
	11/1/2022	10/31/2023	$0.2782
	11/1/2023	10/31/2024	$0.3008
National Grid - Colonial Gas	11/1/2018	10/31/2019	$0.1321
	11/1/2019	10/31/2020	$0.1481
	11/1/2020	10/31/2021	$0.1787
	11/1/2021	10/31/2022	$0.2330
	11/1/2022	10/31/2023	$0.2782
	11/1/2023	10/31/2024	$0.3008
Unitil	11/1/2018	10/31/2019	$0.1277
	11/1/2019	10/31/2020	$0.1615
	11/1/2020	10/31/2021	$0.1794
	11/1/2021	10/31/2022	$0.1521
	11/1/2022	10/31/2023	$0.1937
	11/1/2023	10/31/2024	$0.2959
Gas EES Residential Discount Rates per Therm			
Berkshire	11/1/2018	10/31/2019	$0.0562
	11/1/2019	10/31/2020	$0.0978
	11/1/2020	10/31/2021	$0.1117
	11/1/2021	10/31/2022	$0.1391
	11/1/2022	10/31/2023	$0.1385
	11/1/2023	10/31/2024	$0.1490
Eversource	11/1/2018	10/31/2019	$0.1006
	11/1/2019	10/31/2020	$0.1289
	11/1/2020	10/31/2021	$0.1497
	11/1/2021	10/31/2022	$0.1360
	11/1/2022	10/31/2023	$0.2087
	11/1/2023	10/31/2024	$0.2218
Eversource Gas of MA	11/1/2018	10/31/2019	$0.1190
	11/1/2019	10/31/2020	$0.1178

Company/ Rate Area	Date start	Date end	EES ($)
	11/1/2020	10/31/2021	$0.1439
	11/1/2021	10/31/2022	$0.1964
	11/1/2022	10/31/2023	$0.2256
	11/1/2023	10/31/2024	$0.1789
Liberty	11/1/2018	10/31/2019	$0.0662
	11/1/2019	10/31/2020	$0.1021
	11/1/2020	10/31/2021	$0.0626
	11/1/2021	10/31/2022	$0.1294
	11/1/2022	10/31/2023	$0.1382
	11/1/2023	10/31/2024	$0.1590
Liberty-Blackstone	11/1/2021	12/31/2021	$0.1535
	1/1/2022	10/31/2022	$0.1294
	11/1/2022	10/31/2023	$0.1382
	11/1/2023	10/31/2024	$0.1590
National Grid - Boston Gas	11/1/2018	10/31/2019	$0.0992
	11/1/2019	10/31/2020	$0.1115
	11/1/2020	10/31/2021	$0.1345
	11/1/2021	10/31/2022	$0.1748
	11/1/2022	10/31/2023	$0.2087
	11/1/2023	10/31/2024	$0.2256
National Grid - Colonial Gas	11/1/2018	10/31/2019	$0.0991
	11/1/2019	10/31/2020	$0.1111
	11/1/2020	10/31/2021	$0.1340
	11/1/2021	10/31/2022	$0.1748
	11/1/2022	10/31/2023	$0.2087
	11/1/2023	10/31/2024	$0.2256
Unitil	11/1/2018	10/31/2019	$0.0958
	11/1/2019	10/31/2020	$0.1211
	11/1/2020	10/31/2021	$0.1346
	11/1/2021	10/31/2022	$0.1141
	11/1/2022	10/31/2023	$0.1453
	11/1/2023	10/31/2024	$0.2219

Appendix C: Methodological Change in Handling Income Eligible Incentives and Consumption

Starting in 2023, the data management vendor changed the way that low-income incentives and consumption were reported for the purposes of this analysis. Table C1 below provides detail on the rules for how incentives and consumption were reported in 2023 and prior periods. These methodological changes resulted in the following updates to 2023 reported incentives and consumption for the low-income sector relative to how they would have been reported using the methodology for the 2019-2022 period:

- $9.0M (1.5% of all residential & income eligible incentives) moved from being counted as low-income incentives to market rate incentives for 2023 because these customers received incentives from the market rate program (despite some of them being on a low-income discount rate).
- Similarly, a small share of consumption in both the Electric and Gas sector, which is used to calculate EES contributions, moved from the income eligible sector to market rate either to reflect consumption from a customer who participated in a low-income program but was only on the discount rate part of the year or not at all. This included 38.9M (0.24%) of Electric kWh Consumption and 1.0M (0.09%) of Gas Therms Consumption.

Table C1: Methodology for Reporting Low-Income Incentives and Consumption for 2019-2022 and 2023

Account on an IE Rate Code	2019-2022 Methodology Consumption	2023 Methodology Consumption	2019-2022 Methodology Incentives	2023 Methodology Incentives
On an IE rate code PART of the year but DID NOT participate in an IE program	Split 64% IE / 36% MR (Electric) Split 46% IE / 54% MR (Gas)	Split 64% IE / 36% MR (Electric) Split 46% IE / 54% MR (Gas)	IE	MR
On an IE rate code PART of the year and DID participate in an IE program	IE	Split 67% IE / 33% MR (Electric) Split 60% IE / 40% MR (Gas)	IE	IE
On an IE rate the ENTIRE year but DID NOT participate in an IE program	IE	IE	IE	MR
NOT on an IE rate at any part of the year but DID participate in an IE program	IE	MR	IE	IE

Highlighted cells represent those where the methodology for reporting the data changed between 2019-2022 and 2023.