

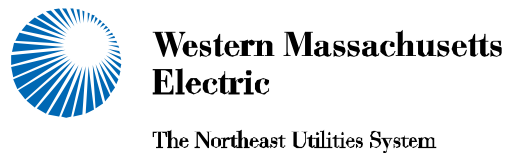


**2013-2015**

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**Massachusetts  
Joint Statewide Three-Year  
Electric and Gas Energy Efficiency Plan**

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**November 2, 2012**

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<u>SECTOR</u>	<u>PROGRAM</u>	<u>CORE INITIATIVE</u>	<u>ADMINISTERED BY</u>	
LOW-INCOME	WHOLE HOUSE	LOW-INCOME SINGLE FAMILY	ELECTRIC & GAS PAs	<ul style="list-style-type: none"> <li>• JOINT</li> </ul>
Core Initiative Overview	<p><b>Key Objectives:</b></p> <p>The Low-Income Single Family Core Initiative implements cost-effective, energy efficiency products and services directly for residential customers living in 1 to 4 unit dwellings in which at least 50 percent of the occupants are at or below 60 percent of the state median income level. The initiative leverages all applicable revenue streams and piggybacks on the current Department of Housing and Community Development (“DHCD”) Weatherization Assistance Program (“WAP”), consistent with a comprehensive, whole house approach generally with no co-payment required from participating customers.</p>			
	<p><b>New Enhancements:</b></p> <ul style="list-style-type: none"> <li>• The PAs will continue to work with the Best Practices Working Group to identify new cost-effective energy efficiency services, measures and technologies that are appropriate to offer to income-eligible customers. LED lighting is one of the primary new measures that has been and will continue to be examined as the technology evolves and pricing declines. The Heat Pump Water Heater (50 gallon and 80 gallon tank) is also a new measure for the initiative as it was deemed cost-effective for use when replacing an electric water heater of equivalent size. While this measure provides excellent savings potential, installations are required to meet manufacturer recommended temperature and space specifications as well as condensation removal criteria. Ongoing throughout program years 2013-2015.</li> <li>• PAs will work with the Low-Income Energy Affordability Network (“LEAN”), state organizations such as the DHCD, lead vendor, and Community Action Program (“CAP”)</li> </ul>			

	<p>agencies to increase qualified contractor participation in the initiative through training and workforce development. The PAs also plan to continue to support contractor and auditor training as needed. Ongoing throughout program years 2013-2015.</p> <ul style="list-style-type: none"> <li>• PAs will work with LEAN in the design of the Efficient Neighborhoods + initiative and its implementation phases. It is expected that the targeted neighborhoods in this initiative will include low-income qualified/eligible consumers; thus the Program Administrators plan to work with LEAN to ensure a fully integrated cross-sector approach. Efforts will be prioritized during program year 2013 but ongoing throughout 3-year filing.</li> </ul>
<p><b>Core Initiative Design</b></p>	<p>The PAs will work in collaboration with the Best Practices Working Group, including LEAN, DHCD, lead vendor (where applicable), and CAP agencies to coordinate statewide on all aspects of the Low-Income Single Family Core Initiative, including but not limited to planning, delivery, implementation, education, marketing, training, cost-effectiveness, evaluation, and quality assurance.</p> <p>Once customers are deemed eligible, they will receive an in-home energy assessment from their local CAP agency. The assessment evaluates the building shell, efficiency and appliance conditions (for electric PAs only), as well as home health and safety. The CAP agency will then arrange for all applicable measures and services to be installed by a qualified contractor. Savings will be deepened by installing additional efficiency measures; to the extent the overall initiative remains cost-effective.</p> <p>The initiative piggybacks on the current DHCD WAP. All applicable revenue streams available are leveraged to enhance services consistent with a whole-house approach. PA funding will primarily be used to address more items on the cost-effective priority list, including approved weatherization related repairs. Federal money will primarily be used to address health and safety issues, as well as repairs, to allow for cost-effective energy efficient measures to be installed.</p> <p>As mandated by DHCD for all projects that receive Department of Energy (“DOE”) funding, the CAP agencies perform 100 percent post-installation quality assurance inspection of projects to ensure that all work is performed to the program guidelines. The CAP agencies also perform a minimum of 50 percent in-process inspection of projects. Because the PA initiative piggybacks on the DHCD program, many jobs are multi-funded therefore, quality control is completed for both DOE and PA funded projects at the same time. DHCD performs another level of visual inspection for 20 percent of all DOE-funded projects.</p>

	<p>During these inspections, DHCD reviews both DOE and PA funded work. Additionally, the PAs have an independent third-party vendor perform quality assurance inspections for an additional level of quality control. PAs require a specified percentage of all jobs exclusively funded by the PAs to be inspected.</p> <p>Energy efficiency education and information is provided to all participating customers. The primary form of energy education is verbal communication between the auditor and the client along with leave-behind materials. The Low-Income Single Family Core Initiative plans to review the opportunity of developing common education materials with the Best Practices Working Group.</p>
<p><b>Marketing Overview</b></p>	<p><b>Target Market:</b></p> <p>Residential customers living in 1 to 4 unit dwellings who are at 60 percent of the state median income level or who are qualified to receive fuel assistance and/or utility (or municipal aggregator) discount rates. For 2 to 4 unit dwellings, 50 percent of the occupants must qualify as low-income in order to be served by the Low-Income Single Family Core Initiative.</p> <p>Any changes to eligibility criteria will be addressed collectively between the PAs, LEAN, DHCD, lead vendor (where applicable) and CAP agencies.</p> <p><b>Strategy:</b></p> <p>Marketing outreach designed to reach more income-eligible customers and maximize energy savings opportunities will continue to expand through the 2013 – 2015 Low-Income Single Family Core Initiative (where applicable). PAs, in collaboration with lead vendor (where applicable) and CAP agencies, will continue to engage in targeted, localized outreach efforts to notify customers of the availability and value of energy efficiency services. Marketing consists of contacting qualified income-eligible customers subscribing to the discount rate who have not received prior energy efficiency services. Telemarketing, direct mail, bill inserts, and literature distributed through social services agencies, government offices, and other networks are also used to market the initiative. In addition, PAs are participating in statewide marketing efforts to encourage all customers to participate in energy efficiency initiatives. Those efforts will assist in driving income-eligible customers to take advantage of not only energy efficiency programs but also discount rates, fuel assistance and other social programs. Awareness of the initiative is also gained through participation in local community events such as job fairs, senior centers, and employee</p>



	<p>presentations, which may include case studies.</p> <p>Outreach and marketing efforts as well as PA collaboration will be expanded as needed. Approaches may include building relationships with unemployment centers, medical service providers, and other venues that could reach potential income-eligible customers. PAs will continue to examine other potential service providers and venues such as community-based outreach that could reach income-eligible customers.</p>																																				
<p><b>Technologies/Incentives</b></p>	<p><b>The following is a list of targeted end uses, recommended technologies, and incentives (not meant to be limiting) offered where qualified:</b></p> <table border="1" data-bbox="541 548 1906 1360"> <thead> <tr> <th data-bbox="541 548 957 605">Targeted End Use</th> <th data-bbox="957 548 1522 605">Technology</th> <th data-bbox="1522 548 1906 605">Incentive</th> </tr> </thead> <tbody> <tr> <td data-bbox="541 605 957 646">Building Shell</td> <td data-bbox="957 605 1522 646">Insulation (Attic, Wall, Pipe, &amp; Duct)</td> <td data-bbox="1522 605 1906 1360" rowspan="15">No cost to customer with established caps (where applicable)</td> </tr> <tr> <td data-bbox="541 646 957 686">Building Shell</td> <td data-bbox="957 646 1522 686">Air Sealing / Duct Sealing</td> </tr> <tr> <td data-bbox="541 686 957 727">Heating</td> <td data-bbox="957 686 1522 727">Heating System Repair &amp; Replacement</td> </tr> <tr> <td data-bbox="541 727 957 800">Domestic Water Heating</td> <td data-bbox="957 727 1522 800">DHW Measures (Low Flow Showerhead, Faucet Aerator, &amp; Pipe Wrap)</td> </tr> <tr> <td data-bbox="541 800 957 873">Domestic Water Heating</td> <td data-bbox="957 800 1522 873">50 and 80 gallon Heat Pump Water Heater (Electric)</td> </tr> <tr> <td data-bbox="541 873 957 946">Comprehensive, Whole House Approach</td> <td data-bbox="957 873 1522 946">Weatherization Repairs (electrical repairs, roofs, etc.)</td> </tr> <tr> <td data-bbox="541 946 957 1019">Comprehensive, Whole House Approach</td> <td data-bbox="957 946 1522 1019">Health and Safety</td> </tr> <tr> <td data-bbox="541 1019 957 1060">Lighting and Appliances</td> <td data-bbox="957 1019 1522 1060">LEDs</td> </tr> <tr> <td data-bbox="541 1060 957 1101">Lighting and Appliances</td> <td data-bbox="957 1060 1522 1101">CFLs</td> </tr> <tr> <td data-bbox="541 1101 957 1141">Lighting and Appliances</td> <td data-bbox="957 1101 1522 1141">Lighting Fixtures</td> </tr> <tr> <td data-bbox="541 1141 957 1182">Lighting and Appliances</td> <td data-bbox="957 1141 1522 1182">Torchiere</td> </tr> <tr> <td data-bbox="541 1182 957 1222">Lighting and Appliances</td> <td data-bbox="957 1182 1522 1222">Refrigerator Replacement</td> </tr> <tr> <td data-bbox="541 1222 957 1263">Lighting and Appliances</td> <td data-bbox="957 1222 1522 1263">2<sup>nd</sup> Refrigerator Removal</td> </tr> <tr> <td data-bbox="541 1263 957 1304">Lighting and Appliances</td> <td data-bbox="957 1263 1522 1304">Freezer Replacement</td> </tr> <tr> <td data-bbox="541 1304 957 1344">Lighting and Appliances</td> <td data-bbox="957 1304 1522 1344">“Smart” power strips</td> </tr> <tr> <td data-bbox="541 1344 957 1360">HVAC/Mechanical Systems</td> <td data-bbox="957 1344 1522 1360">Window Air Conditioner Replacement</td> </tr> </tbody> </table>	Targeted End Use	Technology	Incentive	Building Shell	Insulation (Attic, Wall, Pipe, & Duct)	No cost to customer with established caps (where applicable)	Building Shell	Air Sealing / Duct Sealing	Heating	Heating System Repair & Replacement	Domestic Water Heating	DHW Measures (Low Flow Showerhead, Faucet Aerator, & Pipe Wrap)	Domestic Water Heating	50 and 80 gallon Heat Pump Water Heater (Electric)	Comprehensive, Whole House Approach	Weatherization Repairs (electrical repairs, roofs, etc.)	Comprehensive, Whole House Approach	Health and Safety	Lighting and Appliances	LEDs	Lighting and Appliances	CFLs	Lighting and Appliances	Lighting Fixtures	Lighting and Appliances	Torchiere	Lighting and Appliances	Refrigerator Replacement	Lighting and Appliances	2 <sup>nd</sup> Refrigerator Removal	Lighting and Appliances	Freezer Replacement	Lighting and Appliances	“Smart” power strips	HVAC/Mechanical Systems	Window Air Conditioner Replacement
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	In coordination with LEAN, the PAs will work with the MTAC to include new measures or technologies as appropriate.
<b>Delivery Mechanism</b>	PAs, when appropriate, use a lead vendor to administer the initiative. The PAs work closely with their lead vendor and/or respective CAP agencies on all aspects of the initiative design and implementation. The lead vendor/CAP agencies are responsible for providing coordination of energy efficiency services to the customer. The lead vendor/CAP agencies work with installation contractors to ensure that the proper initiative guidelines are enforced. These agencies are also responsible for ensuring that the customer meets the eligibility requirements for initiative participation and providing the lead vendor and/or PA with the required documentation of all work performed. Quality assurance is completed by the CAP agencies, DHCD, as well as by a PA funded independent third party vendor.
<b>Three-Year Deployment Strategy/Roadmap</b>	The PAs will coordinate efforts through the existing low-income weatherization and fuel assistance program via LEAN to ensure consistent implementation throughout the state and retain the advantages of the existing infrastructure of central coordination while avoiding the creation of a new or central entity. Training and workforce development will be accomplished by the PAs working with LEAN, DHCD, lead vendors and CAP agencies to increase the number of qualified contractors, energy auditors, and administrative staff. The PAs in conjunction with LEAN, the lead vendors and the CAP agencies will continually review and evaluate new measures and technologies. All applicable revenue streams available will be leveraged to enhance services. Through marketing and outreach efforts, the PAs will attempt to broaden initiative participation. PAs will attempt to deepen efficiency penetration consistent with a comprehensive, whole house approach.
<b>Special Notes</b>	

<u>SECTOR</u>	<u>PROGRAM</u>	<u>CORE INITIATIVE</u>	<u>ADMINISTERED BY</u>	
LOW-INCOME	WHOLE HOUSE	LOW-INCOME MULTI-FAMILY	ELECTRIC & GAS PAs	<ul style="list-style-type: none"> <li>• JOINT</li> </ul> <hr/> PA - SPECIFIC
<b>Core Initiative Overview</b>	<p><b>Key Objectives:</b></p> <p>The Low-Income Multi-Family Retrofit Core Initiative leverages all applicable revenue streams and provides cost-effective, residential energy efficiency improvements that benefit income-eligible occupants and owners of multi-family buildings. Energy efficiency products and services are implemented directly in the dwellings of residential, income eligible customers living in multi-family facilities (with 5 or more attached units), in which at least 50 percent of the occupants are at or below 60 percent of the state median income level. The Program Administrators will provide up to 100 percent of the cost-effective project with established caps based on projected savings.</p> <p><b>New Enhancements:</b></p> <ul style="list-style-type: none"> <li>• In 2012, the funding of the Low-Income Multi-Family Core Initiative and Low-Income Single Family Core Initiative was proposed to be combined. The PAs continue to combine funding for the Low-Income Multi-Family and Single Family Core Initiatives in 2013-2015 to offer more flexibility in servicing the greatest potential number of income-eligible customers if demand for one initiative surpasses the other. Additionally, the PAs and LEAN will explore ways to address the disproportionate electric and gas Multi-Family budgets. Ongoing throughout program years 2013-2015.</li> <li>• The PAs will continue to work with the Best Practices Working Group to identify new cost-effective energy efficiency services, measures and technologies that are appropriate to offer to income-eligible customers. Common area lighting controls provide an excellent opportunity to reduce wasted lighting energy in common-area applications such as stairwells and hallways when the area is unoccupied. All PAs will include best practices within the 2013-2015 Low-Income</li> </ul>			

Multi-Family Core Initiative. LED lighting is a new measure that has been and will continue to be examined as the technology evolves and pricing declines. The Heat Pump Water Heater (50 gallon and 80 gallon tank) is another new measure for the initiative as it was deemed cost-effective for use when replacing an electric water heater of equivalent size. While this measure provides excellent savings potential, installations are required to meet manufacturer recommended temperature and space specifications as well as condensation removal criteria. Ongoing throughout the program years 2013-2015.

- As a new initiative in 2010, the Low-Income Multi-Family Core Initiative focused on multi-family properties that were non-institutional dwellings owned or operated by non-profit entities or public housing authorities. In 2012, based upon available funding, some PAs also served “for profit” properties under the same guidelines in which at least 50 percent of the occupants were at or below 60 percent of the state median income level. With better data and more experience in this sector, the Low-Income Multi-Family Core Initiative for 2013 – 2015 will broaden participation and plans to serve “for profit” multi-family properties in addition to “non-profit” multi-family properties based upon an individual PA’s budget constraints with prioritization for the “non-profit” properties by Q1 2013.
- PAs will work with the Low-Income Energy Affordability Network (“LEAN”), the Low-Income Multi-Family Advisory Committee, state organizations such as the Department of Housing and Community Development (“DHCD”), and Community Action Program (“CAP”) agencies to increase qualified contractor participation in the initiative through training and workforce development. The PAs also plan to continue to support contractor and auditor training as needed. Ongoing throughout program years 2013-2015.
- Currently, the Low-Income Multi-Family Core Initiative serves properties that are heated by gas and electricity; however, facilities heated by deliverable fuels are excluded from participating in all of the available energy efficiency measures that are offered within the initiative, specifically weatherization improvements and heating system repairs and replacements. The 2013-2015 Multi-Family Core Initiative plans to explore the potential of offering all available measures and incentives to any eligible multi-family facility regardless of fuel type. Efforts will be prioritized during program year 2013.

<b>Core Initiative Design</b>	<p>The Low-Income Multi-Family Core Initiative services properties that have five or more units in which at least 50 percent of the occupants are at or below 60 percent of the state median income level. Eligibility for the initiative measures and services will be based on the established cost-effectiveness test, which includes agreed upon non-energy benefits, and will not be restricted, to the greatest extent possible, by rate class associated with the meter(s) for the facility. Eligible projects involve efficiency upgrades for buildings with currently high energy consumption and require that applicants participate in benchmarking their building’s energy usage post-improvements. The Low-Income Multi-Family building inventory has been an innovative component of this initiative to both help identify potential participants and help determine usage patterns in this sector.</p> <p>The PAs will work in collaboration with the Best Practices Working Group including LEAN, the Multi-Family Advisory Committee, DHCD, lead vendors, and CAP agencies to collaborate and coordinate statewide on all aspects of the Low-Income Multi-Family Core Initiative, including but not limited to planning, delivery, implementation, education, marketing, training, cost-effectiveness, evaluation, and quality assurance. When topics to be discussed apply to both market-rate customers and low-income customers, PAs will further coordinate between initiatives as needed.</p> <p>The initiative will be structured to ensure that participants are provided with a “whole building”; fully integrated offering that targets both gas and electric end users. Once a property is deemed eligible, it will receive an energy assessment through a lead vendor or local CAP agency. The assessment evaluates the building shell, efficiency and appliance conditions (for electric PAs only), as well as home health and safety. The CAP agency will then arrange for all applicable measures and services to be installed by a qualified contractor. Savings will be deepened by installing additional efficiency measures; to the extent the overall project remains cost-effective.</p> <p>The initiative piggybacks on the current DHCD low-income energy efficiency programs and all other eligible funding sources (<i>i.e.</i>, federal and state) to enhance services consistent with a whole-building approach. PAs will use a lead vendor or local CAP agency to administer the initiative. Sub-contracting will be appropriate to the complexity of the work required and will be based on a similar audit tool as in the Multi-Family Retrofit Core Initiative. Low-income customer inquiries will be referred to the lead vendor/CAP agency, the Multi-Family Advisory Committee, or PA by the Multi-Family Market Integrator (“MMI”), as defined in the Multi-Family Retrofit Core Initiative. Low-income customers may also apply directly to the initiative via their PA and/or local CAP agency. An essential element of this initiative is</p>
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	<p>that interested customers also have the option, at their discretion; of electing to participate in the Multi-Family Retrofit Core Initiative. This approach helps ensure that there are multiple paths to participation in energy efficiency initiatives in this unique market sector that has also been served over many years by skilled contractors and engineering firms. These firms will continue to be eligible to provide services in this sector, both through the Multi-Family Retrofit Core Initiative (and its terms and conditions) and, where qualified, as providers for the Low-Income Multi-Family Core Initiative under the terms and conditions of this initiative.</p> <p><u>Customer Education</u>        Energy efficiency education and information are included in all PAs' energy efficiency initiatives. The primary forms of energy education are benchmarking building inventories and verbal communication between the auditor and the participants. The Low-Income Multi-Family Core Initiative plans to develop/improve education materials and material distribution which will include education for landlords, property managers, building occupants, and property management personnel as well as development of case studies.</p>
<p><b>Marketing Overview</b></p>	<p><b>Target Market:</b></p> <p>Residential customers on the discount rate and/or customers living in multi-family facilities with five or more dwelling units in which at least 50 percent of the occupants are at or below 60 percent of the state median income level in addition to the landlords and property managers of these buildings.</p> <p>Any changes to eligibility criteria will be addressed collectively between the PAs, LEAN, lead agencies and CAP agencies.</p> <hr/> <p><b>Strategy:</b></p> <p>Demand for the Low-Income Multi-Family Core Initiative will be managed jointly by the PAs and the Multi-Family Advisory Committee.</p> <p>The PAs will engage in outreach efforts to notify customers of the availability and value of energy efficiency services to stimulate interest in the initiative and operate within budgets. Marketing will consist of contacting landlords or property managers of income-eligible tenants. Direct mail, bill inserts, case</p>

	<p>studies and literature distributed through social service agencies, housing funders, government offices, community outreach, and other networks are also used to market the initiative. PAs will use their relationship with PHAs, CDCs, community based outreach and other income-eligible property managers to market the benefits of the initiative.</p> <p>In addition, PAs are participating in statewide marketing efforts to encourage all customers to participate in energy efficiency initiatives. Those efforts will assist in driving income-eligible customers to take advantage of not only energy efficiency programs but also discount rates, fuel assistance, and other social programs when appropriate.</p>																																		
<p><b>Technologies/Incentives</b></p>	<p><b>The following is a list of targeted end uses, recommended technologies, and incentives (not meant to be limited) offered:</b></p> <table border="1" data-bbox="541 659 1906 1398"> <thead> <tr> <th data-bbox="541 659 953 716">Targeted End Use</th> <th data-bbox="953 659 1520 716">Technology</th> <th data-bbox="1520 659 1906 716">Incentive</th> </tr> </thead> <tbody> <tr> <td data-bbox="541 716 953 756">Building Shell</td> <td data-bbox="953 716 1520 756">Insulation (Attic, Wall, Pipe, &amp; Duct)</td> <td data-bbox="1520 716 1906 1398" rowspan="14">PAs will pay up to 100 percent of the project cost with established dollar caps where applicable. Larger capital investment projects will be screened for cost-effectiveness (with the Multi-Family Advisory Group).</td> </tr> <tr> <td data-bbox="541 756 953 797">Building Shell</td> <td data-bbox="953 756 1520 797">Air Sealing</td> </tr> <tr> <td data-bbox="541 797 953 837">Heating</td> <td data-bbox="953 797 1520 837">Heating System Repair &amp; Replacement</td> </tr> <tr> <td data-bbox="541 837 953 878">General Waste Heat</td> <td data-bbox="953 837 1520 878">Programmable Thermostat</td> </tr> <tr> <td data-bbox="541 878 953 984">Domestic Water Heating</td> <td data-bbox="953 878 1520 984">DHW Measures (Low Flow Showerhead, Faucet Aerator, Pipe Wrap, &amp; Tank Wrap)</td> </tr> <tr> <td data-bbox="541 984 953 1024">Domestic Water Heating</td> <td data-bbox="953 984 1520 1024">Water Heating Equipment</td> </tr> <tr> <td data-bbox="541 1024 953 1065">Domestic Water Heating</td> <td data-bbox="953 1024 1520 1065">Heat Pump Water Heater (Electric)</td> </tr> <tr> <td data-bbox="541 1065 953 1105">Lighting and Appliances</td> <td data-bbox="953 1065 1520 1105">LEDs</td> </tr> <tr> <td data-bbox="541 1105 953 1146">Lighting and Appliances</td> <td data-bbox="953 1105 1520 1146">CFLs</td> </tr> <tr> <td data-bbox="541 1146 953 1187">Lighting and Appliances</td> <td data-bbox="953 1146 1520 1187">Lighting Fixtures</td> </tr> <tr> <td data-bbox="541 1187 953 1243">Lighting and Appliances</td> <td data-bbox="953 1187 1520 1243">Common Area (Interior &amp; Exterior) Lighting Upgrades &amp; Controls</td> </tr> <tr> <td data-bbox="541 1243 953 1284">Lighting and Appliances</td> <td data-bbox="953 1243 1520 1284">Torchieres</td> </tr> <tr> <td data-bbox="541 1284 953 1325">Lighting and Appliances</td> <td data-bbox="953 1284 1520 1325">Refrigerator Replacement</td> </tr> <tr> <td data-bbox="541 1325 953 1365">Lighting and Appliances</td> <td data-bbox="953 1325 1520 1365">Freezer Replacement</td> </tr> <tr> <td data-bbox="541 1365 953 1398">Lighting and Appliances</td> <td data-bbox="953 1365 1520 1398">ENERGY STAR<sup>®</sup> Clothes Washer</td> </tr> </tbody> </table>	Targeted End Use	Technology	Incentive	Building Shell	Insulation (Attic, Wall, Pipe, & Duct)	PAs will pay up to 100 percent of the project cost with established dollar caps where applicable. Larger capital investment projects will be screened for cost-effectiveness (with the Multi-Family Advisory Group).	Building Shell	Air Sealing	Heating	Heating System Repair & Replacement	General Waste Heat	Programmable Thermostat	Domestic Water Heating	DHW Measures (Low Flow Showerhead, Faucet Aerator, Pipe Wrap, & Tank Wrap)	Domestic Water Heating	Water Heating Equipment	Domestic Water Heating	Heat Pump Water Heater (Electric)	Lighting and Appliances	LEDs	Lighting and Appliances	CFLs	Lighting and Appliances	Lighting Fixtures	Lighting and Appliances	Common Area (Interior & Exterior) Lighting Upgrades & Controls	Lighting and Appliances	Torchieres	Lighting and Appliances	Refrigerator Replacement	Lighting and Appliances	Freezer Replacement	Lighting and Appliances	ENERGY STAR <sup>®</sup> Clothes Washer
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<p data-bbox="184 954 474 987"><b>Delivery Mechanism</b></p>	<p data-bbox="541 954 1822 1024">The initiative will be administered cooperatively by the gas and the electric PAs in conjunction with interested stakeholders.</p> <p data-bbox="541 1065 688 1097"><u>Enrollment</u></p> <p data-bbox="541 1101 1894 1206">Participants for this initiative may enroll through a local CAP agency, statewide website, the multi-family statewide toll free number, PA(s), the Low-Income Multi-Family website or other venue (use of the low-income multi-family website is required in most cases).</p> <p data-bbox="541 1247 821 1279"><u>Participant Screening</u></p> <p data-bbox="541 1282 1871 1388">Currently, the Multi-Family Advisory Committee comprised of LEAN, Community Development Corporations (“CDCs”), other non-profit owners of low-income non-institutional multi-family housing, and Public Housing Authorities (“PHAs”) are tasked with prioritizing low-income multi-family projects</p>																									



for each PA. The Advisory Committee integrates flexibility into their planning to handle unique needs of PAs and their customers or potential participants. The Multi-Family Advisory Committee may include representatives of other sectors.

Due to the nature of this market segment, most leads will be generated through the Multi-Family Advisory Committee; however, leads coming in via other venues will be screened by the MMI and forwarded to the Multi-Family Advisory Committee for eligibility confirmation.

Upon confirmation of a project, the lead vendor or CAP agency is responsible for coordinating the appropriate parties to address the project needs based on protocols agreed to by the specific PA(s) and in consultation with the specific PA(s) to move the project forward.

#### Whole Building Assessment

Based on the outcome of the screening process, the appropriate technical resources will be assigned to conduct a whole building, (fuel blind) assessment. The lead vendor or local CAP agency will attempt, through the screening process, to identify all resources required for the assessment; however, there may be instances where additional expertise is required and therefore more than one site visit is necessary. Technical assessments and engineering studies will be conducted as needed. At the time of the assessment, education will be provided to participants and instant saving measures will be installed, as appropriate and authorized by the customer.

#### Integrated Proposal for Energy Efficiency Services

Using the findings from the site-specific assessment, the appropriate parties will draft a project proposal that will include gas and electric cost-effective measure opportunities and other available services where applicable. Where appropriate, the project proposal will be forwarded to the appropriate PA(s) for approval. Once the comprehensive offer has received PA approval (if necessary), it will be presented to the participant by the parties required to help the customer fully understand the offering.

#### Delivery of Measures and Services

The lead vendor or CAP agency will coordinate the delivery of the measures and services. The installation contractors will strive to have all dwelling unit measures installed in a single visit to minimize disruption for the tenants; however, multiple visits may be required for the installation of common area measures. All installations are coordinated with the owners, property managers and the tenants.

	<p><u>Quality Assurance/Quality Control</u>          Quality assurance will be performed in support of this initiative. Quality assurance is completed by the CAP agencies, as well as by a PA funded independent third party vendor.</p> <p>The delivery mechanism serves to minimize lost opportunities and encourage deeper savings in the following ways:</p> <ul style="list-style-type: none"> <li>• The increased incentive amounts may allow for achieving energy savings that would not be possible if this population had to provide a significant co-payment.</li> <li>• Having the PHAs and CDCs and other owners of non-institutional low-income multi-family housing involved in the process helps facilitate access to the tenant spaces, which has been traditionally cited as a potential barrier in the multi-family market.</li> </ul>
<p><b>Three-Year Deployment Strategy/Roadmap</b></p>	<p>The PAs will coordinate efforts via LEAN to ensure consistent implementation throughout the state and retain the advantages of the existing infrastructure of central coordination while avoiding the creation of a new or central entity. Participants may inquire for enrollment through a CAP agency, statewide website, low-income multi-family website, multi-family statewide toll free number, PAs or other venue. Many leads will be generated through the Multi-Family Advisory Committee; however, leads coming in via other venues will be screened by the MMI and/or the PAs and forwarded to the lead vendor/CAP agency for eligibility confirmation. Once eligibility has been confirmed, the Multi-Family Advisory Committee prioritizes the low-income multi-family projects for each PA. Training and workforce development will be accomplished by the PAs working with LEAN, DHCD, and CAP agencies to increase the number of qualified contractors, energy auditors, and administrative staff. The PAs in conjunction with LEAN and the CAP agencies will continually review and evaluate new measures and technologies. All applicable revenue streams available will be leveraged to enhance services. Through marketing and outreach efforts, the PAs will attempt to broaden participation. PAs will attempt to deepen efficiency penetration consistent with a comprehensive, whole building approach.</p>
<p><b>Special Notes</b></p>	

*d. C&I Program Descriptions*

**Overview of C&I Efforts**

**Lessons Learned**

Over the past three-year program delivery period, the Program Administrators achieved success by both expanding and accelerating existing program “through put”, and by targeting new initiatives and strategies to identifiable market pockets where a local market assessment or the experiences of other programs indicated that unrealized efficiency potential could be captured. The PAs actively sought out examples of program or initiative success from other jurisdictions and incorporated promising models into local program design and delivery. For example, the PAs moved some lighting incentives upstream to capture a demonstrable share of the new construction/equipment replacement opportunities not being captured by the established program.

The PAs were also quick to exploit new opportunities as they appeared, and pioneered program delivery models that are now being emulated elsewhere. One example is in the dynamic and rapidly-changing lighting market, where the PAs must balance marketplace enthusiasm for LEDs with the need to ensure product reliability and appropriate incentives as a percentage of product price. For example, the convergence of a reliable and appropriate product and a suddenly very competitive market price allowed the PAs to rapidly deploy a targeted initiative to a niche market - LED replacements into sockets in the hospitality industry.

In addition, the Massachusetts PAs pioneered some delivery concepts, such as creating multi-year agreements with the largest customers, which are now being examined for application in other parts of the country. At a higher level, the PA model for managing the multi-entity delivery of a dual-fuel statewide program has drawn inquiries from other emerging statewide efforts around the country.

ARRA funding created a time-specific stimulus and unique opportunities to forge creative partnerships with municipalities and there are expected to be some continuing effects of this program that can be applied to “second generation” partnership efforts. The collaborative working relationship established with state and federal agencies (e.g., Mass Energy Leaders, DOER, DCAM, DEP, Green Communities Division, EPA) during the ARRA stimulus period has created lasting improvements in mission alignments and process efficiencies benefiting multiple stakeholders. These efforts will continue to be enhanced and leveraged going forward.

Financing was also a focus of PA efforts over the past several years as lack of financing was identified as a potential barrier to increased participation. As a result, a financing offering was developed in collaboration with the Massachusetts Bankers Association (“MBA”). The financing design was well-researched, drawing on the lessons learned from the myriad of financing approaches put forth in Massachusetts and in other states over the last twenty years. The Massachusetts offering provides a very streamlined process. Additional concepts of “off-

balance sheet” financing have been discussed; however, these concepts can prove challenging under GAAP (Generally Accepted Accounting Principles).<sup>27</sup>

Moving forward, the PAs will increase efforts to highlight the favorable investment attributes of efficiency and promote the MBA offering, as well as Performance Contracting and other financing vehicles, for the minority of customers for whom lack of capital is an obstacle to engagement. In addition, the PAs will develop tools to provide customers with additional financial perspectives to evaluate efficiency investments which can be used by account managers as well as third parties.

One of the benefits of having multiple Program Administrators is the ability to test different models and to share best practices. Two recent examples include NSTAR’s Municipal Program to test a direct-install model tailored to the specific needs of municipal customers and National Grid’s test of a comprehensiveness initiative that increases their multiple measure bonus from 10% to 25% for a limited time during the summer of 2012 – this enhanced incentive is intended to both to encourage greater comprehensiveness and to smooth out participation during the year. Each company shares the progress of these efforts with the C&I Management Committee, and will formally report results in the fourth quarter of 2012. Depending on the success of this effort, the other PAs may adopt similar approaches in 2013.

The PAs have also largely succeeded in moving from separate, siloed electric and gas delivery to an integrated gas/electric delivery model. Cross training has been conducted for both internal and external personnel. Post audits have been conducted to confirm Direct Install vendor compliance and customer satisfaction. Multiple-PA, multi-year dual fuel MOUs have been signed, and a number of co-funded technical assistance (“TA”) studies and projects have been implemented. As the effects of this integration become recognized, the marketplace has responded – with vendors hiring new technical staff and partnering and merging in order to acquire integrated delivery capabilities. The PAs continue to focus on expanding the pool of technical assistance vendors and program expeditors (“PEXs”) who have the ability to pursue comprehensive electric and gas opportunities for the participating customer. Integration is an ongoing and dynamic process, and the C&I Management Committee, as well as MTAC and the various specialized working groups and subcommittees, all include representatives from both electric and gas PAs and they all continue to focus on opportunities to further streamline efforts for customers, enhance comprehensiveness, and to move forward with enhancements in the integration effort.

### **Structural Changes**

PAs will be consolidating the former freestanding Direct Install program as an initiative under the Retrofit program. The purpose of this change is to provide improved clarity for customers. Post-consolidation, non-residential customers will have two clear umbrella options to participate: a Retrofit Program or a New Construction Program. This clarification also helps stakeholders distinguish the different characteristics (*e.g.*, incentive basis, decision makers,

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<sup>27</sup> National Grid and WMECO will continue to offer on-bill repayment to small businesses and other non-residential electric customers as a tool for addressing this barrier to participation. A portion of National Grid’s budget includes funding for this purpose.