

May 26, 2015

Judith Judson, Chair
Energy Efficiency Advisory Council
Commissioner
MA Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

RE: Comments to EEAC on Draft 2016-2018 Three Year Plan

Dear Commissioner Judson:

I write to offer comments to the Energy Efficiency Advisory Council on behalf of the Massachusetts Association of Community Development Corporations (MACDC) on the draft three-year plan for 2016-2018.

MACDC is an association of mission-driven community development organizations dedicated to working together and with others to create places of opportunity where people of diverse incomes and backgrounds access housing that is affordable, benefit from economic opportunities and fully participate in the civic life of their community. We achieve this by building and sustaining a high performing and adaptive community development sector that is supported by private and public investment and sound public policies. Founded in 1982, MACDC currently has 89 members, including all 54 state certified CDCs. MACDC Members have almost 18,000 rental units in their portfolios and over the past three years, CDCs have secured over \$14.8 million to complete energy retrofits for 3,600 of these units. Additionally, CDCs have administered programs over the past three years that have provided \$17.8 million to homeowners and businesses for energy retrofits.

On this and a variety of other issues, these community-based organizations rely on MACDC to give them voice when public policy decisions are made. On behalf of our members, I would like to comment on the Massachusetts Program Administrators' (PA) Draft Statewide Three-Year Energy Efficiency Plan, by offering the following recommendations:

1. MACDC calls for goals of at least 3.0% annual electric savings and 1.5% annual gas savings to be incorporated into the state's final three-year energy efficiency plan for 2016-2018. These goals are consistent with the Assessment of Potential report that was recently completed for the Energy Efficiency Advisory Council. Thanks to strong policies and aggressive goals, the Commonwealth has been the number one state in the country for energy efficiency for the past four years, and MACDC supports energy efficiency goals and measures that will continue this strong track record of leadership. The benefits of strong efficiency policies have far outweighed the costs: thousands of jobs have been created and the economy has grown, while energy use has decreased. The draft plan submitted by the Utility PAs has goals that are well below the level recommended by the EEAC consultant team and it does not capture all cost-effective energy efficiency measures, as required by the Green Communities Act.



- 2. MACDC believes that the state's three-year energy plan should maximize the potential for energy savings for multifamily buildings occupied by low-income families by providing:
  - a. Sufficient resources, through the LEAN Multifamily Program, for both gas and electric energy retrofits for low-income multifamily buildings. Currently, the queue for funding for gas retrofits has sometimes required waits of two years or more. Funding for low-income multifamily retrofits must be prioritized and expedited to ensure that vulnerable populations receive timely access to energy efficiency services.
  - b. Creation of an initiative for the commercial (multifamily) affordable housing sector, designed to work in sync with recapitalization and refinancing transactions. The full complement of financial incentives should be available to owners at the point of moderate rehabilitation, with a whole-building approach that permits the owner to incorporate deeper greening elements than is practical at mid-lifecycle. The funding should be integrated into the subsidy allocation process in partnership with the Commonwealth's housing agencies, and the capital work should be incorporated into the owner's moderate rehab scope of work and undertaken by the owner's contractor. This new initiative will be an excellent complement to the existing LEAN Multifamily Program, with its focus on providing mid-lifecycle retrofits. The PAs draft plan does not include any mention of a partnership with the housing agencies to capture more energy efficiency.
  - c. A comprehensive statewide energy efficiency database, starting with the Interim Step ordered by the DPU on December 1, 2014 (D.P.U. 14-141), which requires utilities to populate an energy efficiency database, with data aggregated by zip code. The PAs draft plan does not incorporate a public energy efficiency database, despite the stakeholder engagement process, EEAC recommendations, and the DPU order for an energy efficiency database to inform the EEAC, the DOER, and the public about the accomplishments and activities of the programs. Such a database will create the following benefits:
    - Lenders and public subsidy funders will be able to glean energy savings information from a large dataset to inform underwriting criteria and operating budgets. A comprehensive statewide database will demonstrate energy savings and unlock private capital to transform the market for building sustainability.
    - 2. A comprehensive statewide database will help the utilities create strategic community partnerships to help achieve their energy efficiency goals. In addition, organizations that work in specific geographic locations and within low-income communities can add appropriate efficiency offerings to their financial coaching, first-time homebuyer training, sustainability organizing, job placement, and other programs.

Thank you for the opportunity to comment.

Sincerely,

Joe Kriesberg
President and CEO