

NORTHEAST

Massachusetts' new efficiency plan puts a priority on underserved communities

The state's latest three-year energy efficiency plan would include new provisions to increase outreach and expand program eligibility for lower-income households and residents of color.



by Sarah Shemkus

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A worker blows cellulose insulation in the interior walls of a home. Credit: Dennis Schroeder / NREL

Massachusetts' new three-year energy efficiency plan would substantially increase efforts to lower energy costs and improve health and comfort for lower-income households and residents of color.

The \$668 million plan awaiting approval from the state Department of Public Utilities lays out strategies the state's ratepayer-funded energy efficiency program intends to implement from 2022 to 2024. They include provisions to increase outreach and expand eligibility in underserved communities — and pay utilities for providing more services in these neighborhoods.

“They’re saying, ‘Let’s figure out how to make sure that everyone paying into the program is able to access and benefit from the program,’” said Eugenia Gibbons, Massachusetts director of climate policy for Health Care Without Harm. “The plan is a good step forward.”

For more than a decade, Massachusetts' energy efficiency programs have been hailed as some of the most progressive and effective in the country. The centerpiece of the state's efforts is Mass Save, a collaborative of electric and gas utilities that provides no-cost energy audits, rebates on efficient appliances, discounts on weatherization, and other energy efficiency services, funded by a small fee on consumers' utility bills.

Mass Save's programming is guided by three-year energy efficiency plans, a system put in place by the state's 2008 Global Warming Solutions Act.

However, advocates have long said these programs fall short when it comes to serving members of environmental justice communities. While some had dismissed these concerns as merely anecdotal, a 2020 study by the utilities showed that, indeed, residents in communities with more people of color, fewer English speakers, more renters, and lower household incomes received services from Mass Save at significantly lower rates than those in more affluent, whiter areas.

“It confirmed what the advocates and the people from these neighborhoods were saying,” said Mary Wambui-Ekop, a member of the equity working group of the Energy Efficiency Advisory Council, which guides the creation of the three-year plans.

The new plan is more responsive to these concerns than any previous one, advocates said.

The plan outlines a \$6 million investment in expanding its work with community groups and municipalities to improve participation in historically underserved areas. Community groups already working in these neighborhoods will be able to offer Mass Save valuable perspectives on language barriers, cultural differences, and economic issues, allowing the utilities to adapt their strategies to individual areas.

“Community-based organizations can identify place-based approaches to engaging residents in these programs,” said Ruth Georges, supervisor of equity, strategic partnerships, and workforce

development for Eversource, one of the utilities that administers Mass Save.

The plan also changes the structure of the performance incentives paid to utilities, making it more financially rewarding to work with underserved communities than previous plans. During the creation of the last three-year plan, which covered 2019 to 2021, the state rejected a proposed performance incentive that would have paid utilities \$20 for every renter they provided with efficiency services. The thinking was that this mechanism would help increase outreach to lower-income households, communities of color, and families with limited English proficiency, because these groups tend to rent at higher rates.

The state, however, reasoned that the utilities were already receiving an incentive for every household served, so this extra money would mean paying twice for the same services.

To avoid this objection this time around, the plan proposes a separate performance incentive for achieving benefits for moderate-income customers and for residents of 38 communities across the state designated as environmental justice areas. Nearly \$24 million is budgeted for electric utilities and \$15 million for gas utilities. These totals represent rates that are 20% higher than standard for electric services and 55% higher for gas.

“So those particular communities are going to get extra attention essentially,” said Amy Boyd, director of policy for the Acadia Center and a member of the advisory council.

The plan also earmarks \$136 million to provide services for what it calls moderate-income residents. Existing programs offer certain benefits, such as no-cost insulation and heating system upgrades, for households defined as low-income. However, some families earn too much to qualify for these offers, but would still struggle to afford the upfront cost of a heat pump or new insulation.

The plan defines this group as households that earn more than 60% but less than 80% of the median household income for the area; for 2021, that translates to a range of \$78,751 to \$101,041 for a four-person household. The goal is to double the number of weatherization jobs performed for moderate-income households each year through 2024, for a net increase of 700%.

Workforce development is another major goal of the plan. Even without this ambitious new plan rolling out, Massachusetts is already **short on** energy efficiency workers. This gap, however, creates opportunities for residents of environmental justice areas to pursue training in the field, developing solid careers while helping advance the state’s energy efficiency goals within and outside of their neighborhoods. At the same time, when residents of underserved communities see their neighbors going to work in energy efficiency, it builds both awareness and trust.

The plan would implement what it calls the Clean Energy Pathways program, which would train candidates for careers in energy efficiency, provide them with nine-month paid internships, and help them find full-time work when they are done.

Advocates are very supportive of the proposed plan, citing the impact it could have for climate goals as well as environmental justice. Still, however, they intend to keep a close eye on how it is implemented.

“The equity working group is not going to fizzle out and die after this work,” Wambui-Ekop said. “We’re going to continue to be there, holding the program administrators to account.”



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Sarah is a longtime journalist who covers business, technology, sustainability, and the places they all meet. She has covered the workings of small-town government in New Hampshire, the doings of alleged swindlers and con men, and the minutiae of local food systems. Her work has appeared in the Guardian, the Boston Globe, TheAtlantic.com, Slate, and other publications. Sarah covers the state of Massachusetts.

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