

EEB Residential Committee Meeting

Wednesday, October 12, 2022 | 9:30AM - 12PM (Webinar Only)

Meeting Materials: https://app.box.com/s/v36uz0wqe8trvhdbm332br0v7jaghkn5

Meeting Recording

Minutes

1. Welcome – Melissa Kops

a. Roll Call of Committee Members
 Board members: Kathy Fay, Melissa Kops, Kate Donatelli, Donald Mauritz, John Viglione, Larry Rush, Ron Araujo

b. Meeting procedures and process update

Ms. Melissa Kops reviewed the <u>meeting procedures</u> and updates to the process for making comments. Attendees are encouraged to reserve comments for the public comment portion. If you have questions during the meeting, you may use the chat and the Executive Secretary will follow up. You can use the "raise your hand" function as well and the Chair will determine if there is time to address questions.

The Executive Secretary notified attendees that the Board will be updating mailing lists between now and the end of the year. Everyone must subscribe to mailing lists by December 31st to receive Board and Committee correspondence after January 1, 2023. Instructions to subscribe can be found https://dashboard.mailerlite.com/forms/155581/66697302200289144/share.

2. Approve September Residential Committee Meeting Minutes

Ms. Melissa Kops motioned to approve the September minutes; Ms. Kathy Fay seconded the motion. The motion passed 4-0.

3. Public Comments

There were no public comments offered.

4. Follow Ups from September Meeting

a. Residential New Construction metrics follow up (Larry Rush)

Mr. Larry Rush, Avangrid, indicated that Avangrid will likely not meet its goal for the new construction, multifamily housing metric in 2022 due to a high volume of multifamily projects that fell into Tier 2 during 2021 (200/309 units fell into Tier 2). Ms. Melissa Kops pointed out that the energy code will be changing to require a lower HERS rating and the current metric requires HERS of 50 or less. Ms. Kops asked the Companies to find out why more properties are not meeting this requirement. Mr. Rush noted that the Companies have been investigating this, adding that marketing and outreach will be critical. Mr. Richard Faesy shared that with the upcoming all-electric program, the Technical Consultants and Companies will need to assess which metrics are appropriate going forward.

5. Programs and Planning - Companies

a. HES-IE Windows Incentive Plans

Ms. Diante Del Rosso, Eversource, provided a <u>presentation</u> on single-family add on window incentives in the Home Energy Solutions – Income Eligible (HES-IE) program. Ms. Del Rosso's presentation included background on the changes, 2023 updates, and the

timeline. Updates will be effective January 1, 2023.

Regarding the older projects that will be cancelled, Ms. Gannon Long asked how many projects will be cancelled and how those customers will be informed. Ms. Del Rosso said she could not say how many projects will be cancelled at this time. Ms. Del Rosso said that if customers are expecting windows to be replaced, the Companies will try to follow through with those projects.

Ms. Kathy Fay asked whether there were specific contractors that were generating most of the two- and three-pane projects. Ms. Del Rosso said she would investigate this and follow up.

b. <u>Heat Pump Pilot Report</u>

The Companies provided a presentation on the <u>Heat Pump Pilot</u> for oil and propane heated homes. The presentation includes background on the Pilot as well as Pilot participation details and spending metrics, results, and lessons learned.

Ms. Melissa Kops asked if there were requirements for weatherization for a full displacement. Ms. Del Rosso said that HES was initially required, but due to low participation this was changed to a recommendation. Ms. Kathy Fay asked how the Companies determined the HES requirement was the issue and that low participation wasn't due to other factors, like the pandemic? Ms. Del Rosso said she did not have specific survey results that confirm this, however anecdotally the Companies noticed an increase in participation after these changes were made. Mr. Rush added that the Pilot timeline supports this as well.

Ms. Fay asked what controls were in place to ensure the HVAC contractors were all recommending tighter envelope measures. Ms. Del Rosso said that each customer spoke with the Program Managers and energy efficiency representatives at the Companies directly. The Program Managers would have made those recommendations.

Ms. Leticia Colon de Mejias said contractors were not involved in the development of the Pilot. Ms. Colon de Mejias said heat pumps work better when the home has been weatherized and that contractors can benefit these programs if engaged. Ms. Colon de Mejias claims that comments contractors are making to DEEP are not reaching the Committee and that this discussion is not happening at CTAC. Ms. Colon de Mejias encouraged the Committee to allow contractors space at the table when designing these programs. Ms. Colon de Mejias offered further input and Ms. Kops recommended this topic be added to the next CTAC agenda.

Mr. Mike Uhl asked if other sources drove participation like community action agencies other than HVAC contractors? Mr. Rush and Ms. Del Rosso indicated HVAC contractors predominantly drove participation, though Ms. Del Rosso noted that referral sources were not a tracked data point.

Ms. Fay is concerned about this program going to scale without a weatherization requirement prior to heat pump installation.

Mr. Richard Faesy asked if contractors in the heat pump installer network able to access the \$1,000 per kton rebate to install dual thermostats? Ms. Del Rosso said she would have to follow up.

Mr. Rich Hasselman, GDS Associates, provided a presentation on its <u>Evaluation of the Heat Pump Pilot</u>, which included an overview of the evaluation process, energy impacts resulting from the Pilot. The presentation also included an overview of the customer survey that was conducted and feedback that was received.

Ms. Melissa Kops asked if the study participants all had weatherized homes and Mr. Rich Hasselman said the first four participants were but would have to look in to this further. Ms. Kops said that in the future the studies should be categorized by how weatherized the home is. Ms. Kops asked if the new heat pump program ensures heat pump systems installed are designed for the heating load, not just the cooling load. Mr. Rush said he would have to check on this.

Ms. Fay said it seems inappropriate to require HES for solar installation but not for heat pumps and Ms. Kops agreed. Mr. Faesy said that if HES is not required, then the program should ensure the incentives are driving people to weatherize. Mr. Faesy asked if the participants of the study were self-selected or random and asking how representative is the study compared to the pilot. Mr. Hasselmen said the study participants are not random and does not think from a sampling standpoint the study could not be considered representative. Mr. Faesy noted that there will be results from an ongoing statewide evaluation that can inform the program.

Mr. Bernie Pelletier asked what protocol the homeowner will use to switch between the legacy system and the heat pump system. Mr. Hasselmen said all the cases had an integrated control, though manual overrides can always happen. Regarding the claim that heat pumps will increase winter peak, Mr. Pelletier asked if heat pump use versus temperature could be studied to gain more insight on this issue. Mr. Hasselman said that if the goal is not full displacement of the fossil fuel system, the risk for driving winter peak is minimal. Conversely full displacement with electric resistance back up would have a high risk of driving winter peak.

6. <u>DEEP Legislative and Regulatory Updates</u>

Ms. Kate Donatelli provided a <u>slide deck</u> covering the following topics:

- a. EEB members
 - Residential Committee member
 A call for applications opened on May 31 and closed June 30. DEEP is close to making an appointment for this seat.
 - Environmental Organization member
 DEEP will issue a Notice of Vacancy and Request for Applications to fill the seat for "an environmental group knowledgeable in energy conservation program collaboratives." Ms. Amy McLean formerly held this seat as well as the Vice Chair position on the Board. The Board will soon appoint a Vice Chair.

b. Comprehensive Energy Strategy

DEEP issued its <u>Notice of Technical Meetings</u> on August 1st for the Comprehensive Energy Strategy. DEEP is hosting a series of Technical Meetings which will inform the development of the CES. Ms. Donatelli provided the updated Technical Meeting Schedule, which can be found on slide 5. Session 4: Building Thermal Decarbonization: Economic potential and technology targets has been cancelled, but a summary of public comments provided on the topic so far will be shared. Additionally, there will be future opportunities to provide feedback on this topic. An additional set of Technical Meetings (Sessions 5-7) will be scheduled over the coming weeks.

Ms. Donatelli provided a recap from Sessions 2 and 3, which can be found on slide 6. Slides and recordings of sessions are available on the <u>CES webpage</u>.

DEEP also issued a <u>Request for Written Comments</u> on August 18. A schedule of deadlines for comment on issues, by Technical Meeting Session can be found on slide 7.

c. <u>Weatherization Assistance Program (WAP) RFP Results and Coordination Plans</u>
The Connecticut WAP program is in the process of developing a State Plan focusing on

funding a heat pump pilot for multifamily housing with a portion of the Bipartisan Infrastructure Law (BIL) Training and Technical Assistance budget. A public process to inform the State Plan included two public hearings on September 28 and written comments that were accepted through September 29. A preliminary WAP BIL application was submitted on September 30. DEEP will incorporate public feedback and re-submit.

Ms. Kathy Fay asked if there would be training for installers or if the funds would be allocated for installations. Ms. Donatelli said she would need to follow up, but assumes some funding will be allocated to training and technical assistance. Mr. Richard Faesy said there was a request for proposals (RFP) to identify sub grantees to work for this program and asked if those contractors would be tapped for delivering the multifamily component of the program. Ms. Donatelli said she would need to check how the pilot relates to contractors selected through the RFP.

Ms. Gannon Long noted that DEEP submitted a plan, but will resubmit it and asked when DEEP expects to resubmit? Ms. Long asked for a timeline of next steps in this process on WAP. Ms. Donatelli said the WAP team will be incorporating feedback gathered during the public process but would need to confirm with the WAP team on the timeline for resubmission.

d. CTAC Meeting Review

Contractor Technical Advisory Committee (CTAC) met on September 28. Contractors discussed the HES-IE window incentive proposal, CES heat pump barriers, and Inflation Reduction Act planning. Ms. Donatelli noted good progress was made on the HES-IE window incentive, though flagged the incentive cap as something to keep an eye on given contractor feedback. The next meeting will be November 23 1:00PM-3:00PM, which may be rescheduled due to the Thanksgiving holiday.

e. <u>Weatherization Barriers Program Operator</u>

Ms. Donatelli said DEEP is in the planning phase which includes development of program processes, metrics, customer prioritization, and marketing materials. Ms. Kathy Fay said customer prioritization was going to be based on recent referrals (about 1,000 customers. With the program rollout delay, Ms. Fay asked how this would impact the customer prioritization. Ms. Donatelli said she cannot speak to the specifics but noted that the pipeline of existing customers will be included. DEEP is trying to prioritize leads that are more live or have been in the queue the longest. Ms. Fay noted this is one of the greatest areas of inequity in the program and delays should be minimized.

Mr. Richard Faesy asked when ICAST can join the Res meeting to provide more details? Ms. Donatelli said she would need to check on the best time to introduce ICAST to this audience but will follow up.

Ms. Leticia asked when will contractors be allowed to know things that are real and tangible about the program and how it will work for our customers/ ratepayers? How will DEEP be sure to the programs do not crush local contractors, and are instead inclusive? How will ICAST help the 1-4 unit housing that had the highest rates of barriers?

f. PURA Solar Comments on HES and HES-IE Requirements

PURA <u>Docket No. 22-08-02</u>. In the Year 2 annual review of the Residential Renewable Energy Solutions (RRES) program, there was discussion on whether delays and budget constraints were creating an unnecessary barrier for people to enroll in solar. DEEP was asked to provide feedback regarding the role of the HES program in RRES. DEEP submitted a brief with two recommendations: 1) homes constructed in or after 1980 will be exempt from the HES audit requirement and homes constructed in or before 1979

will be required to have an in-person HES audit.

Ms. Tanya Mulholland asked about the study Ms. Donatelli referenced that helped to focus on homes built in 1980's onwards. Ms. Mulholland asked if this previous study can be shared, or more information be provided on those energy efficiency considerations?

Ms. Colon de Mejias asked where the contractors can learn about and engage in the development for RRES? Ms. Donatelli said that feedback from contractors in the CTAC meetings were a key factor in submitting these recommendations. Ms. Donatelli said if there are ways to summarize and share information, DEEP is happy to do so. Ms. Donatelli said that due to time constraints in this case, DEEP relied on feedback provided in CTAC meetings. Ms. Colon de Mejias asked where the conversations were happening and if there are other conversations happening? Ms. Donatelli said that CTAC is a great forum for this but reiterated there was no specific roundtable informing these recommendations. Ms. Donatelli said if this needs to be a topic at a future CTAC meeting, it can be. Ms. Colon de Mejias said it should be included in a CTAC meeting so contractors can be further engaged. Ms. Colon de Mejias asked if there is a summary of the docket or materials that can be provided. Ms. Donatelli said she is not sure if PURA provides a summary but will check on that. Ms. Donatelli said stakeholders can sign up to receive updates on PURA dockets. Ms. Kops agreed PURA dockets are difficult to follow and suggested finding a way to improve upon this for EEB stakeholders.

Ms. Vivian Perez asked when PURA will decide on this docket and Ms. Donatelli was not sure. Ms. Perez asked when it would take effect? Ms. Donatelli said this was at PURA's discretion.

g. Federal Funding Opportunities and Plans

Ms. Donatelli indicated that the Consultants will be providing more information in the next topic.

- WAP and Bipartisan Infrastructure Law (BIL)
- Inflation Reduction Act (IRA)

7. <u>Inflation Reduction Act Draft Principles – Consultants</u>

Given the incoming Inflation Reduction Act funds, the Technical Consultants have put together guiding principles for planning and incorporating funds with the C&LM Plan. These principles guide future decisions for allocating funds the most effectively and efficiently. Mr. Richard Faesy provided a presentation outlining these recommendations, which can apply any source of new funds.

Slide 14 of the presentation includes prompts for a discussion. Mr. Bernie Pelletier said a timeline is needed to help combat the paralysis caused by uncertainty around this funding. Mr. Faesy said the higher limits on tax credits for weatherization and new construction start January 1, 2023 but other funds won't be available for a while. Mr. Faesy noted that people should not wait as there are existing incentives now.

Ms. Melissa Kops signal boosted the braiding of funds. Ms. Leticia Colon de Mejias suggested including contractors now in the planning for these funds. Ms. Colon de Mejias said energy efficiency gives the best value for decarbonization and encouraged the Board tap contractors that have been serving the programs.

8. Future Agenda Topics – Consultants

The Committee was not able to cover this, but a list of future topics is summarized here.

9. Public Comments

Ms. Leticia Colon de Mejias shared that contractors were directed by the utilities and the EEB and CTAC to upgrade two-pane to three-pane, and that contractors indicated it was too costly

and a bad idea. No one let the contractors speak in this room, or in any room. Ms. Colon de Mejias shared that if you want to know what is happening, ask the contractors and they will tell you. The contractors have the emails to prove that they said the windows were too costly and that it would eat the budget, and that insulation saves more money for ratepayers, has better ROI, and saves heat and electric alike. Yet DEEP does not care. Ms. Colon de Mejias claims DEEP is excluding contractors of color from speaking the truth. Ms. Colon de Mejias believes not meeting in person is exclusionary to the public and contractors. Ms. Colon de Mejias added that the contractors also said the program should require HES, which would help ratepayers save money, lower demand, and make heat pumps work better. Ms. Colon de Mejias claims that no one cares to hear from the contractors or let them speak.

Ms. Colon de Mejias said the contractors have been asking for code to be met on CFM and ducts prior to heat pump installations. All it takes is education and policy that requires demand reduction. Ms. Colon de Mejias believes heat pumps will crash the grid if homes are not also weatherized, adding that heat pumps work better when the house is tight. Ms. Colon de Mejias says customers should not get the rebate unless they do the demand reduction.

Ms. Colon de Mejias asked that the EEB Consultants show respect for contractors' work, outcomes, and engagement. Ms. Colon de Mejias asked that the Consultants set up calls with contractors and engage them directly. Ms. Colon de Mejias said equity demands including the workforce that serves the state. New construction should follow code and not be subsidized, as some developers are using funds to gut and flip houses then sell them. People building new have money and equity would not have the programs pay for rich people's things, leaving poor people with no heat or lights. Ms. Colon de Mejias said to putting an end to silos is important and decarbonization must be viewed through the proper lens.

Ms. Colon de Mejias claimed that no one responded to what she filed on DEI but did not specify which filing she was referring to. Ms. Colon de Mejias said if the Board wants to reach the COB and small contractor, it cannot mute them or exclude the leaders of DEI and EJ in the state.

Regarding the claim that HES vendors failed to promote the Heat Pump Pilot Program, Ms. Michelle Long, Energy Management Authority, said that the program requirements precluded customers from participating in the program. Ms. Long believes the program requirements, not failure of HES vendors, caused low participation at the onset of the program. Ms. Colon de Mejias said that if contractors were engaged, they could provide this insight and reduce misconceptions of barriers to participating in the programs.

10. Adjourn

Ms. Kathy Fay motioned to adjourn, and Ms. Melissa Kops seconded the motion. The motion passed 3-0.