

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

In the Matter of:

Public Hearing:

MASSACHUSETTS STATE WEATHERIZATION PLAN

FOR FISCAL YEAR 2016

U.S. DEPARTMENT OF ENERGY

WEATHERIZATION ASSISTANCE PROGRAM

Thursday
February 18, 2016

Department of Housing and
Community Development
100 Cambridge Street
Conference Room A
Boston, Massachusetts

The above entitled matter came on for hearing,
pursuant to Notice, at 10:00 a.m.

BEFORE:

DAVID FULLER, Administrative Officer
Supervisor of the Energy Conservation Unit
Department of Housing and Community Development
Division of Community Services
100 Cambridge Street, Suite 300
Boston, MA 02114
(617) 573-1000

I N D E X

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Kathleen Tobin	20

P R O C E E D I N G S

(10:10 a.m.)

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2
3 MR. FULLER: Good morning and welcome to the
4 public hearing for the 2016 US Department of Energy
5 Weatherization Assistance Program public hearing. My name
6 is David Fuller. I am the Administrative Officer/Supervisor
7 for the Energy Conservation Unit within the Department of
8 Housing and Community Development's Division of Community
9 Services representing the Massachusetts Weatherization
10 Assistance Program grantee.

11 If you haven't already, please sign the attendance
12 sheet, including your name, who you're representing, and
13 indicate if you'd like to provide testimony this morning.
14 We will request individual testimony in the order signed.

15 There are printed copies of the Draft State Plan
16 available as well in the back of the room.

17 We are here today to accept testimony regarding
18 the Massachusetts State Plan for the FY 2016 US Department
19 of Energy Weatherization Assistance Program. Public comment
20 will be received through Tuesday, February 23, 2016.

21 Subgrantees and subcontract agencies, members of
22 the WAP Police Advisory Council, LEAN and other interested
23 parties were provided notice of this public hearing. A
24 draft of the proposed State Plan has been posted on DHCD's
25 weatherization website. And a link was provided to the WAP

1 network and interested parties.

2 I would like to acknowledge the support and
3 assistance provided in the development of the DOE
4 Weatherization Assistance Program State Plan by Louis
5 Martin, the Associate Director for the Division of Community
6 Services and Maureen O'Rourke, Program Coordinator of the
7 Energy Conservation Unit, and Lauren Vitale of DHCD's Office
8 of the Chief Counsel. I want to acknowledge the excellent
9 work of the unit's technical field staff, Robert Guenther
10 and Jamie Canning, and my appreciation for DHCD's Finance
11 Division staff, Dharam Dixit and Peter Rondeau, who keep the
12 funds flowing and ensure fiscal accountability of the
13 program in Massachusetts. I'd also like to commend the
14 Massachusetts Weatherization Assistance Program Subgrantee
15 Network and their staff for their continued commitment to
16 the energy needs of low income residents of the
17 commonwealth, and the weatherization program's Energy Policy
18 Advisory Council for their input.

19 The Weatherization Assistance Program's mission is
20 to reduce heating and cooling costs for low income families,
21 particularly for the elderly, people with disabilities and
22 children, by improving the energy efficiency of their homes
23 while ensuring their health and safety. The Weatherization
24 Program was created in 1976 to assist low income families
25 who lack the resources to invest in energy efficiency

1 improvements to their home.

2 During the past 40 years, the WAP has provided
3 comprehensive weatherization services to over 200,000 houses
4 in Massachusetts with federal and state funds. Low income
5 families will save an average of approximately 25 to 30
6 percent in reduced energy costs each year in a more
7 comfortable, healthier weatherized home. Nationally, the
8 program has been a leader in developing cost effective
9 energy efficiency retrofit protocols for existing homes.

10 The Department of Energy released the FY 2016
11 formula grant funding announcement and grantee allocations
12 in early January 2016 based on a National WAP Award of just
13 over \$213,000,000. This amount, while still less than the
14 pre-Recovery Act funding, is an increase from the previous
15 three years. And DOE and the advocates for the program in
16 Washington are to be commended for their efforts in
17 obtaining an increase in funding during difficult budget
18 times.

19 Massachusetts's allocation for FY 16 in the
20 funding announcement is \$6,058,804. In addition to the new
21 allocation, DHCD will be adding \$266,026 in unexpended funds
22 from previous grants. Included in the funding announcement
23 was the requirement that the provisions of the Office of
24 Management and Budget, OMB, financial assistance rule 2 CFR
25 200 applies to this grant.

1 DHCD notified the WAP network of local agencies as
2 the funding was available and had discussions in a variety
3 of forums and meetings with subgrantees and other
4 stakeholders. DHCD held a preliminary planning meeting on
5 January 30, 2016 to discuss the development of the State
6 Plan with weatherization subgrantees. DHCD has also met
7 with representatives of the Low Income Energy Affordability
8 Network, LEAN, the Massachusetts LIHEAP Advisory Group, the
9 Energy Policy Advisory Group, and the Massachusetts Energy
10 Directors Association about the development of the plan and
11 to solicit input.

12 DHCD is proposing to continue the allocation of
13 DOE WAP units to subgrantees based on the existing formula.
14 Consistent with DOE 10 CFR 440.15, DHCD is planning on
15 maintaining the existing subgrantee network as all
16 participants conform to the requirements of that regulation,
17 and through regular programmatic monitoring, DHCD has
18 determined that they are operating an effective
19 Weatherization Program. DHCD will issue 12 month contracts
20 for the operation of the FY 2016 program year, April 1, 2016
21 through March 31, 2017.

22 As result of discussions with WAP subgrantees,
23 DHCD is proposing an average cost per unit of \$4725 in DOE
24 program operations, which includes program support for the
25 FY 2016 program. DHCD is proposing an average cost per unit

1 of \$625 in allowable and required health and safety
2 measures. Based on these averages, the minimum production
3 unit for FY 2016 is 879.

4 The program operations cost per unit is
5 substantially lower than the DOE allowable maximum of 7105.
6 This lower average will allow subgrantees to provide DOE
7 services to more households than would otherwise occur, and
8 to leverage available utility funds to assist these
9 households.

10 Consistent with subgrantee requests, DHCD proposes
11 to maintain the maximum allowable DOE expenditures for all
12 work completed on an eligible dwelling unit at \$10,000.
13 Included in that maximum, DHCD is also proposing to maintain
14 the maximum incidental repair cost of \$2500 and health and
15 safety maximum of \$2500.

16 MR. HARAK: Dave, what was the first 2500 for? I
17 couldn't hear it.

18 MR. FULLER: Incidental repairs.

19 MR. HARAK: Thank you.

20 MR. FULLER: DHCD recognizes that these high
21 maximums in a relatively small grant will require that
22 subgrantees carefully monitor their average cost per unit
23 and make certain that they meet their required production
24 goals. The proposed average cost per unit will enhance the
25 subgrantees's ability to provide an appropriate balance of

1 DOE WAP funds with available utility energy efficiency
2 funds. And the higher maximums will allow subgrantees to
3 serve those clients in communities with no utility funds
4 available with full weatherization services.

5 Administrative funds will be awarded on a per unit
6 basis in such a manner to ensure that subgrantees receive no
7 less than 5 percent of the available funds consistent with
8 DOE CFR part 440.18. In the proposed allocation, the
9 administrative allocation is \$375 per unit for the FY 2016.
10 Financial audit category for 2016 will be budgeted \$10 per
11 unit. DOE is proposing funding liability insurance line
12 item for FY 16 at 8000 per unit for WAP subgrantees to
13 assist their agencies in the procurement of liability
14 insurance and increases in the cost of DOE required
15 pollution occurrence insurance.

16 The DOE WAP grant guidance for 2016 will continue
17 the requirements related to training and technical
18 assistance. In the updated Weatherization Program Notice,
19 WPN 15-5, quality work plan requirements, DOE outlines
20 required components the States must address in their 2016
21 plan to ensure the program completes high quality work,
22 inspects the work to standards and provides training to all
23 those involved in the program.

24 Section 1 of the quality work plan requires that
25 all DOE funded work be completed in compliance with the

1 requirements of the standard work specifications, SWS,
2 developed by DOE in the National Renewable Energy Lab. To
3 satisfy this requirement, DHCD and the WAP training center,
4 the Green Jobs Academy worked with Saturn Resource
5 Management to produce a field guide that is linked to the
6 standard work specifications. The field guide is available
7 as a printed, bound document and a pdf linked to the
8 standard work specifications. All WAP subgrantees and
9 contractors have received copies of the field guide. And
10 the field guide is currently being updated to satisfy new
11 DOE WAP requirements. When the new version is available,
12 subgrantee and weatherization contractors will be provided
13 access to the SWS linked pdf.

14 Section 2 of the quality work plan outlines the
15 requirement that there be clear written documentation in all
16 awards and contracts from the grantee to subgrantees and
17 contracts with subgrantees and other entities working in the
18 program, typically, WAP contractors or other local agencies,
19 of the required compliance with the standard work
20 specifications and DOE quality work standards. DHCD will
21 continue to require subgrantees to include this language in
22 their contracts with WAP contractors, and both subgrantees
23 and contractors to sign acknowledgments of these
24 requirements.

25 Section 3 provides the requirements for inspection

1 and monitoring of work using guidelines and standards. This
2 section requires that all quality control inspections
3 completed on DOE weatherization jobs are completed by
4 individuals who have demonstrated competency by
5 certification as a home energy professional quality control
6 inspector. It also requires all grantee monitoring to be
7 completed by a certified quality control inspector.

8 This certification is a high level professional
9 certification. Our network and the Green Jobs Academy did
10 an excellent job in certifying over 30 individuals in the
11 past year and a half. We will continue to support
12 subgrantees in their effort to train and certify staff
13 members that meet the examination prerequisites and
14 demonstrate the interest and ability to be successful.

15 Section 4 of the quality work plan outlines
16 requirements of grantees to provide training to implement
17 and maintain the guidelines and standards, as well as
18 defining the requirements of that training. This section
19 requires grantees to provide a training plan that must
20 include comprehensive training for all WAP workers that is
21 aligned with the job task analysis for the position the
22 worker is employed.

23 The guidance goes on to describe Tier 1 training
24 as a comprehensive occupation specific training that follows
25 a curriculum aligned with the JTAs. This training must be

1 delivered by a training program that is accredited by a DOE
2 approved organization for the JTA being taught.

3 We are fortunate in Massachusetts to have a DOE
4 and IREC accredited training center that can provide Tier 1
5 training. The training center, the Green Jobs Academy is a
6 subsidiary of the Massachusetts WAP subgrantee, the South
7 Middlesex Opportunity Council, or SMOC. Paul Jackson and
8 his staff have done an excellent job of identifying training
9 needs and requirements and customizing training protocols to
10 the needs of Massachusetts WAP subgrantees.

11 During FY 2016 and beyond, in the DOE WAP, SMOC
12 and the Green Jobs Academy will be an important component of
13 how the WAP in Massachusetts is able to address DOE training
14 and certification requirements.

15 DOE, in recognition of the significant ongoing
16 training and certification requirements in the quality work
17 plan, provided grantees with the maximum allowable training
18 and technical assistance during 2014 and 15 and currently in
19 the 2016 grant, and encouraged States to utilize the T&TA
20 funds for their intended purpose.

21 During this program year, DHCD is proposing to
22 award \$14,000 in T&TA funding for each subgrantee and
23 subcontract served agency in their service territory. This
24 award will provide each agency with funds to cover costs
25 related to the required WAP software package and

1 improvements and updates, and will provide some of the
2 funding needed to attend required and optional training
3 activities. DHCD will also assist subgrantees in
4 identifying online resources for staff.

5 Further, DHCD proposes an award of an additional
6 \$247,000 in FY 2016 T&TA funds to SMOC and their DOE funded
7 Green Jobs Academy to support the training and certification
8 needs of the weatherization network in Massachusetts.

9 Green Jobs will continue and expand their training
10 schedule to include a variety of WAP related and required
11 training programs, including DOE lead safe weatherization,
12 lead RRP training, OSHA job site safety, ASHRAE 62.2
13 compliance, combustion safety/CAZ testing, energy auditing,
14 basic and advance blower door training, pressure diagnostics
15 and crew and crew chief training. We are planning to focus
16 future energy auditor training on the curriculum and job
17 task analysis based on the BPI home energy professional
18 energy auditor certification. While we will not require the
19 certification unless or until DOE requires it, we will
20 allow, encourage and support any energy auditor that chooses
21 to do so.

22 DHCD will also work with Green Jobs to develop an
23 onsite training protocol for WAP contractors, provide needed
24 and required training, while minimizing down time for the
25 company.

1 SMOC and Green Jobs has also served as a
2 coordinator for the WAP subgrantee, DHCD, and the WAP
3 software service provider, Community Software Group, to
4 develop a standardized audit data collection form for use on
5 mobile tablet type devices, as we attempt to automate and
6 improve efficiency and data management.

7 The form is currently available for use by energy
8 auditors and the application uploads information directly
9 from the tablet into the subgrantees's E'Assist software.
10 The program is currently undergoing several updates and
11 improvements. We also plan to develop a standardized
12 quality control form that satisfies DOE requirements of
13 linkage to the standard work specifications. Both will be
14 available in a laptop or tablet based format, as well as
15 paper forms.

16 In December 2014, DOE re-authorized the use of the
17 Massachusetts Weatherization Assistance Program's priority
18 measures list that were developed using the National Energy
19 Audit, NEAT, and the Manufactured Home Energy Audit, MHEA,
20 energy audit tools. DHCD released these new priority lists
21 in WAP IM 2015-001. The use of the priority lists as an
22 alternative to require an individual pay back calculated
23 energy audit on each home will save time and improve energy
24 auditor productivity. Subgrantees are free to complete a
25 full audit on any home and are required to do so in certain

1 circumstances outlined in the memorandum.

2 DHCD plans to continue to support the
3 Massachusetts network's highly successful utility low income
4 energy efficiency leveraging strategy that has allowed
5 utility funds to supplement the DOE program for many years.
6 This leveraging capacity is very important for the
7 households we serve in the context of high fuel costs in the
8 northeast and uncertainties of the federal budget and
9 available energy efficiency for low income families.

10 DHCD would like to commend the commonwealth's
11 investor owned utilities and the energy efficiency service
12 providers for their continued support and commitment to
13 reducing the energy burden of low income regulators. During
14 2015, the Massachusetts low income energy efficiency
15 programs contributed over \$36,000,000 to low income rate
16 payer efficiency programs available to the WAP Network for
17 single and small multi family homes. And another
18 approximately \$36,000,000 for large multi family programs.
19 Similar levels of funding will be available for 2016.

20 DHCD is again proposing to award an amount of
21 \$35,000 to Action, Incorporated to continue to represent the
22 weatherization network in negotiations with individual
23 utilities and to attend public hearings, meetings, sponsored
24 by the Massachusetts Department of Public Utilities, and to
25 represent the Massachusetts WAP Network in related public

1 forums.

2 We are now ready to accept testimony from those in
3 attendance. In accordance with this notice of public
4 hearing, DHCD will accept written comments through Tuesday,
5 February 23, 2016.

6 First on the list is Peter Wingate. If you could
7 come up over here and take this chair?

8 MR. WINGATE: All right. Good morning, everyone.
9 My name is Peter Wingate. I'm Director for Community Action
10 of the Franklin, Hampshire, North Quabbin Regions, Inc, and
11 Co-Chair of the Massachusetts Energy Directors Association,
12 also known as MEDA. Thank you for the opportunity to
13 provide the MEDA testimony for the DOE 2016 program.

14 First, I would like to thank DHCD and especially
15 David Fuller and the rest of the staff working in the
16 Weatherization Assistance Program, Maureen O'Rourke, Bob
17 Guenther and Jamie Canning. The network of WAP providers
18 respects and applauds the hard work they continue to put
19 into the program.

20
21 We have looked over the proposed State plan
22 involving unit allocations, program maximums and averages
23 and the use of the training and technical assistance funds,
24 and are in agreement with what is proposed.

25 The allocation of these funds to the agencies and

1 training funds to the Green Jobs Academy is seen as a good
2 plan. We also agree with the plan to fund Action, Inc of
3 Gloucester with funds to facilitate the ongoing leveraging
4 activities in Massachusetts. In fact, Massachusetts
5 leveraged many millions of dollars in utility funding last
6 year in large part due to the structure of the DOE WAP
7 program. This State plan will continue to allow the network
8 the ability to leverage these funds and provide services to
9 thousands of households every year.

10 Massachusetts has always been committed to high
11 quality work. Although we did not always agree with how the
12 QCR process was imposed by the Department of Energy, it is
13 now part of our daily operations. I think, each one of the
14 technicians throughout the state who have worked through the
15 certification process deserves our thanks. It certainly did
16 not surprise me that so many have achieved the
17 certification. But, it is definitely an accomplishment that
18 should not be overlooked.

19 We would like to note that the increased funding
20 for weatherization in 2016 is very much appreciated.
21 Massachusetts is in good position to use these increases to
22 provide yet more services to our clients. I hope this trend
23 toward funding programs that deliver real results continues
24 into the future. There are many homes still in need of
25 these services.

1 Weatherization is an important program. Homes
2 receiving WAP services use less energy, are healthier and
3 emit less carbon. WAP also provides good jobs for skilled
4 professionals.

5 MEDA would like to challenge DOE to approve the
6 State plan as quickly as possible so we can begin the
7 program this year as close to April 1st as possible. Delays
8 in approval over the past couple of years have created
9 service delays and confusion for our clients.

10 Thank you again for the opportunity to talk with
11 you about the DOE WAP program. MEDA, and each of the
12 agencies providing weatherization in Massachusetts, looks
13 forward to providing these services in 2016 and beyond.
14 Thank you.

15 MR. FULLER: Thank you, Peter.

16 Elliott Jacobson.

17 MR. JACOBSON: Elliott Jacobson, Action, Inc.,
18 also Chair of Low Income Energy Affordability Network. And
19 a third attribution would be, I'm on the DOE Energy Advisory
20 Board on a national level. And my comments will mainly be
21 directed to the national welfare of the program.

22 I concur with all of Peter's comments. And
23 especially in congratulating the fine staff, David, Maureen
24 and others. You know, we rely on you to collaborate in
25 creating these great programs. So, thank you for that.

1 My concern on the national DOE level is, we do
2 have to thank DOE for stabilizing the funding situation,
3 which was a change from previous periods in DOE history.
4 DOE is really behind us now. And they helped us through a
5 very challenging period of establishing the certification
6 and standards criteria in reaction to questions about how we
7 ran the program. So, we thank them for all that.

8 My concern now is on several areas, one of them
9 being, we've really been nine months without a permanent DOE
10 Weatherization Director. It's too long for a program like
11 this. I understand that they're in the final stages. And I
12 encourage DOE to give us a permanent director. Without
13 that, we lose the leadership we need in Washington.

14
15 Another problem I think we have is, because of
16 several different circumstances, including, I think, the
17 lack of a permanent leader, we no longer have the national
18 community that we used to have in the weatherization
19 program. That's because DOE no longer has been holding
20 national annual or sometimes, every two year conferences and
21 training where we're able to communicate with other states.
22 The Community Action Foundation, which used to run an annual
23 conference that invited states, but it was mostly based on
24 local practitioners, those are no longer being held.

25 And because of that, we no longer have the ability

1 to communicate, which is really important in trying to keep
2 the program national. I think the fact that we didn't have
3 that during this period of putting in these new standards
4 and certification caused a lot of problems in states that
5 didn't have as much leadership as we have in here from both
6 the state and local agencies.

7 So, other states are having trouble adjusting to
8 that. So, I'm going to encourage them to get on with
9 getting a national conference, in an effort together, to
10 bring this program to its next stage.

11 The reason I'm trying to emphasize this, we are
12 having an election I hear in this coming November. Whoever
13 gets elected, a new administration always bring in new ideas
14 to the program. If a process isn't set up prior to that
15 election, to get us to the next level, something like people
16 remember the millennium committee, and there has been two or
17 three other national efforts to try to get weatherization on
18 a firm national level. I think that needs to be started
19 prior to November so, when the new people take over from
20 whoever wins, this will be something that's ongoing and will
21 be used to make this program better.

22 Some of my comments on the national level, just
23 backing up what David said, the utility program, we do have
24 a three year contract now that will run through the end of
25 2018. I agree with the levels of funding and the 35 to

1 \$40,000,000 level for the 1 to 4 program. And something
2 similar for the larger multi family program.

3 You know, as long as we keep performing, that
4 money will be available. The challenge will be three years
5 from now to make sure that that happens again. But, the
6 best way to assure that is to do what we've been doing,
7 delivering quality work.

8 I think that's it. So, thank you.

9 MR. FULLER: Thank you, Elliott.

10 Robin Rozzi.

11 MR. ROZZI: Sorry, I must have made a check. But,
12 I am not prepared to testify. Sorry.

13 MR. FULLER: No problem.

14 Kathleen Tobin from ABCD.

15 MS. TOBIN: Good morning. I am Kathy Tobin from
16 ABCD. I'm the Energy Programs Director.

17 And first, I want to thank DHCD for the
18 opportunity to comment on the FY 2016 State Plan. And
19 ABCD's in support of everything. I'm sort of pitch hitting
20 this morning, a very spontaneous thing. We are in support
21 of the plan and the comments of Elliot Jacobson and Peter
22 Wingate who spoke before me.

23 We continue to make great progress in the
24 certification process and the new challenges within the
25 standard work specifics of the program. And we continue to

1 have an open communication with DHCD to get through those
2 challenges and training.

3 We're very happy about the increase in funding.
4 These are vital services to our community. They work in
5 tandem with the efficiency programs and do provide services
6 that are needed to the low income community. So, we thank
7 you for that.

8 And in particular, we do enjoy the relationship
9 and we're very proud of the relationships that we have with
10 DHCD in providing these services and appreciate the work of
11 Dave Fuller and Maureen O'Rourke and Bob Guenther and Jamie
12 -- and I forget Jamie's last name.

13 MR. FULLER: Canning.

14 MS. TOBIN: -- Canning, and anybody else who I may
15 have forgotten. You have a very challenging job. But, we
16 do appreciate everything that you do.

17 And thank you again for the opportunity to speak.

18 MR. FULLER: Thank you, Kathy.

19 Anyone else? No.

20 Then, this public hearing is now closed. Written
21 comments will be accepted through February 23rd. Thank you.

22 (Whereupon, at 10:38 a.m., the public hearing was
23 concluded.)

CERTIFICATE OF REPORTER AND TRANSCRIBER

This is to certify that the attached proceedings
before the: DEPT OF HOUSING & COMMUNITY DEVELOPMENT

In the Matter of:

MASSACHUSETTS STATE WEATHERIZATION PLAN

FOR FISCAL YEAR 2016

U.S. DEPARTMENT OF ENERGY

WEATHERIZATION ASSISTANCE PROGRAM

Place: Boston, Massachusetts

Date: February 18, 2016

were held as herein appears, and that this is the
true, accurate and complete transcript prepared from
the notes and/or recordings taken of the above-
entitled proceeding.

Maryann Rooney
Reporter

02/18/15
Date

Maryann Rooney
Transcriber

03/11/15
Date