

# C&I Stakeholder Hour

Thursday, September 7th, 2023

3:00 PM – 4:00 PM

Zoom Meeting

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## Meeting Notes

*The Commercial and Industrial Stakeholder Hour is hosted by the Department of Energy Resources (DOER) and the Sponsors of Mass Save (Berkshire Gas, Cape Light Compact, Eversource, Liberty Utilities, National Grid and Until that are also known as the Program Administrators (PAs). The stakeholder hour is part of the C&I Working Group, an initiative for increased engagement, communication and coordination among the Program Administrators ("PAs"), Department of Energy Resources ("DOER") and stakeholders on the C&I programs. These sessions are open to stakeholder questions and comments on the commercial and industrial programs offered by the Mass Save Sponsors.*

*The programs offered by the Sponsors are funded by an energy efficiency charge on ratepayers' utility bills. Customers participating in the programs receive rebates and incentives for energy efficiency measures such as insulation, heat recovery systems, among others.*

## Questions and Responses:

**Q: I'm interested in learning more about the current incentive areas & technical assistance services available for C&I customers.**

**A:**

- The best resource to understand what is available for efficiency and decarbonization opportunities for C&I customers is the Mass Save website (<https://www.masssave.com/en/business>). The business section of the website under "Incentives" are offers available for existing buildings. These are the incentives based on the average energy savings a commercial and industrial customer can achieve. Applying for these incentives can be done via a downloaded application or online.
- For additional incentives associated with commercial and industrial projects where the energy savings are not known, the "Custom Incentives & Technical Support" section under "Services" (<https://www.masssave.com/en/business/programs-and-services/custom-incentives-and-technical-support/technical-assistance-and-engineering-services>) of the "Business" dropdown will provide guidance for participation.
- There is also information under "Services" about how to request an energy assessment, attain incentives for doing Deep Energy Retrofits, receive incentives and technical support for efficient and decarbonized new construction & major renovation projects, and more.

**Q: For Custom Program studies who pays for the technical analysis? Is it the customer or Mass Save?**

**A:** For Technical Assistance Studies there is typically a cost share involved between the customer and the program Administrator. In some cases, for custom measures implemented with reasonable frequency, the Program Administrators may have a custom express tool to readily quantify the energy savings. For example, our weatherization program for buildings less than 100,000 sq. ft. and greater than 8,000 sq ft, there is a [custom express tool](#) posted on the Mass Save website. Therefore, if there is a tool established for the type of measure that you want to pursue, then that would be the preferred way the Program Administrators would guide a customer to quantify savings. If the measure has something unique that requires quantifying the savings by involving modeling or more extensive analytics, then there would likely be a cost share between the customer and the Program Administrator for a Technical Assistance Study.

**Q: Would like to learn more about the program and how policy is established.**

**A:** Please refer to the prior response for an overview of the Mass Save program for commercial and industrial customers. Relative to policy, the Program Administrators are required to submit a 3-year plan with the Department of Public Utilities (DPU). We are in the planning stages of the 2025-2027 3-year plan now. If you would like to be engaged in the workshops, we encourage you to sign up for the public sessions. To participate with your thoughts relative to commercial and industrial energy efficiency and decarbonization. The sign-up link is here: <https://www.mass.gov/info-details/eeac-energy-efficiency-three-year-planning>

**Q: Please provide examples of energy efficiency in shoreside fisheries businesses.**

**A:** As shared in the first response above, the Mass Save program offers a couple of ways commercial and industrial customers can engage in energy efficiency and decarbonization offerings. First step would be to schedule an energy assessment (<https://www.masssave.com/en/business/programs-and-services/building-energy-assessments>). Then, for more common measures that are applicable to all of C&I like lighting, motors, and refrigeration, these incentives that can be received by submitting an application in the mail, via email, or online. Additionally, for end uses that are unique, there are incentives for doing custom energy efficiency and decarbonization projects. These are projects for which the energy savings are not well-defined and require quantification. Determining the savings for these projects may involve technical assistance studies where a third party is needed to calculate energy savings to support the incentive application. These types of projects would include cooling energy recovery, heat recovery, high efficiency ice machines, or process equipment.

**Q: Why are natural gas incentives ending 2025?**

**A:** Massachusetts State Law Section 26 of Chapter 179 of the Acts of 2022, An Act Driving Clean Energy and Offshore Wind, includes language that “prohibits spending on incentives, programs or support for systems, equipment, workforce development or training as they relate to new fossil fuel equipment” beginning with the 2025-2027 Three-Year Plan. Accordingly, the Program Administrators will be

removing incentives for new gas equipment in compliance with this statute. Nevertheless, the PAs will continue to work with customers to identify retrofit opportunities where we can increase the efficiency of equipment or buildings to reduce energy consumption and greenhouse gas emissions.

**Q: Are there specific opportunities available for small businesses outside of the normal program opportunities?**

**A:**

- There are several opportunities available for a small business customer to participate in Mass Save programs. Small businesses are those that use less than 1.5 million kWh in electricity or 40,000 therms of natural gas annually. Small businesses can have a Program Administrator-contracted vendor perform an energy assessment. After this assessment, customers can implement the recommended energy efficiency measures (lighting, weatherization, refrigeration, HVAC, etc.), receiving typically higher incentives than available through other commercial and industrial participation pathways. Some energy efficiency measures installed soon after a small business assessment, like different types of lighting, are available only to small businesses because they are evaluated separately from other commercial and industrial offerings.
- Small businesses, like larger businesses, are also able to use their own contractor to have energy efficient equipment installed at their facility. Incentives are available through participating distributors for select lighting, HVAC, Foodservice and Water Heating equipment. These 'point of purchase' incentives are deducted from the total equipment cost and should appear as a line item on the equipment's invoice.
- Finally, small business customers can receive incentives for installing eligible heat pump equipment and implementing other energy efficiency measures like the custom measures as captured in the response above (i.e. cooling energy recovery, heat recovery, high efficiency ice machines, or process equipment, etc.).
- If unsure about which measures are appropriate for your small business, the first step is to schedule an energy assessment.

**Q: Does a Battery Energy Storage System need to be behind a company's meter to qualify for the Connected Solutions program?**

**A:** Yes, these systems need to be behind a meter to qualify for the ConnectedSolutions program.

**Q: What changes are being considered to the C&I ConnectedSolutions (Active Demand Response) programs are being considered by EEAC?**

**A:** The EEAC will be holding a Planning Workshop to discuss consultant recommendations for changes to the ConnectedSolutions Offerings in the 2025-2027 Three Year Plan on September 13, 12-4pm. The Workshop is open to the public. Details on how to listen in are available at: <https://ma-eeac.org/event/three-year-plan-workshop-3-active-demand-workforce-development/>

**Q: Will PAs consider the benefits of reinstating a winter ConnectedSolutions Program?**

**A:** The PAs are continuing to work closely with EEA and the ISO to evaluate the potential for Winter DR programs that can support the Commonwealth's winter resource adequacy and affordability goals.

**Q: I would like to know about incentives/rebates for new all-electric schools and municipal buildings.**

**A:** Mass Save Sponsors provide three pathway options for new schools or other new municipal buildings interested in all-electric solutions. The Path 1 offer is our most comprehensive and provides the highest level of technical support and incentives. It is the best option for new municipal projects interested in deep energy savings and where customers have net zero or net zero ready aspirations. This Path requires customers to design toward a very low target Energy Use Intensity (EUI), offers per-ton heat pump incentives, and focuses on getting buildings to actually perform at their target EUI during occupancy. Alternative participation pathways are Path 2 and Path 3. In Path 2, customers would also set target EUIs for projects and where Mass Save Sponsors promote electrification with per-ton heat pump incentives - however this path does not include a post occupancy performance element, and the technical support is not centered on net zero as in Path 1. Path 3 is a measure-specific option for customers who are not interested in setting target EUIs and/or may simply want incentives for individual pieces of equipment. For example, customers only interested in obtaining incentives for heat pumps could apply for incentives for that equipment specifically, if desired.

**Q: With new AI HVAC optimization solutions starting to emerge, how would Mass Save evaluate them, and would they be eligible for any incentives?**

**A:** The Program Administrators have not yet seen implementation of the optimization measures yet being done by the software. The PAs have seen predictive analytic software and software recognizing the opportunity to optimize. There are two different technologies for optimization that our programs have reviewed. One is a fault detection technology that identifies the fault in building operation as compared to design or industry expected parameters. The other type of software taking in a great amount of data like weather and how the building has performed in the past and using that information to determine what system set points should be. Both types of technology provide different opportunities. The PAs are looking at our current offers for optimization and building controls and taking into consideration what is emerging in the market. In 2022 we shifted our prescriptive building management system offer from being point based to focusing on the sequences of operation. That offer this year evolved to include consideration for how savings from building management systems can inform optimization of those sequences. To do this we are comparing baseline or average savings from installing new technology vs. optimizing old technology. Fault detection software in and of itself is not delivering energy savings but it may be able to identify ways to improve the energy efficiency of the systems it is associated with. Therefore, the energy savings that would come from implementing the changes identified by fault detection software would be eligible for incentives.