

Letter from the Undersecretary of Decarbonization and Resilience



I am pleased to release the *Massachusetts Building Decarbonization Clearinghouse Final Report*, which details the Executive Office of Energy and Environmental Affairs (EEA) initiative to assess current and future building energy programs and explore options to create more equitable and streamlined services.

Heating and cooling our buildings is the second largest use of energy and source of greenhouse gas emissions in Massachusetts. Increasing the energy efficiency of and installing clean heating technologies in the roughly 2.7 million buildings in the state is critical to saving energy, creating healthier and more comfortable spaces, controlling costs, and advancing climate goals. This work is also deeply personal and requires customized solutions for the places we live, work, and learn.

Massachusetts is already setting an example. The American Council for an Energy-Efficient Economy (ACEEE) consistently recognizes the Commonwealth as a national leader in energy efficiency for programs like Mass Save that save energy, lower costs, and produce environmental and economic benefits. Mass Save has successfully reduced energy use by 13.9 billion kWh annually, the equivalent of 28 percent of current electricity sales. Since 2010, the program has produced over \$34 billion in benefits and savings for all customers. The 2025-2027 Plan is estimated to yield approximately \$12.1 billion in benefits. Additionally, residents who use Mass Save's weatherization services lower their energy use and costs by 20 percent.

Even with a clear record of success, Massachusetts continues to evaluate and evolve its programs. The 2022 Commission on Clean Heat found that Mass Save has experienced challenges in reaching low- and moderate-income households, environmental justice populations, and households where languages other than English are spoken. To make it easier for everyone to access the full array of energy saving programs offered across the state, the Commission recommended the establishment of a Clearinghouse to create a single point of contact for customers that is understandable and accessible to all customers.

To address that need, EEA embarked on a two-year assessment of options for delivering the comprehensive suite of building decarbonization resources – weatherization, electrification, efficient heating and cooling systems - to simplify and streamline customers' access to and support for energy efficiency and decarbonization resources. These changes are essential and urgent. Scaling cost-effective solutions over the next ten years is critical to increasing adoption of these measures and reaching our 2040 and 2050 emissions targets.

Produced by project consultant VEIC, the following report provides an overview of the assessment's extensive research, design phases, models, and comprehensive stakeholder engagement. The project team engaged more than 500 participants across focus groups and public listening sessions, incorporating input from energy efficiency industry experts, program administrators, business owners, municipal staff, local energy coaches, community-based climate

and environmental justice organizations, municipal light plant staff, and many others involved in current programs.

The *Massachusetts Building Decarbonization Clearinghouse* initiative informed provisions in the *Energy Affordability, Independence and Innovation Act* (EAll) filed by Governor Healey on May 13, 2025 to transform the Mass Save program. In drafting the provisions, components of the Clearinghouse analysis were considered and refined based on stakeholder input, evaluation findings, and elements to further advance affordability. Transforming Mass Save allows the Commonwealth to keep key assets of the nation-leading program in place while also reforming aspects of its administration, mission, and delivery to align with the state's affordability and climate priorities and maintain the momentum and progress reflected in both the 2022-2024 and current 2025-2027 Mass Save Plans.

Specifically, the EAll Mass Save Transformation provisions seek to codify a new framework for Mass Save, including legislative language to consolidate program administration, require a coordinated and statewide approach to procuring vendors, and enable data sharing to allow the program to better address customer needs. If passed, the Act would also permit the pooling of program funds for targeted uses so that the state can allocate resources to the areas of greatest need. The Act allows many of the ambitions of the Clearinghouse to become a reality, setting Mass Save up to transform the program into an even more customer-centric, streamlined platform for customers to access building decarbonization support.

Grounded in objectives established throughout the Clearinghouse assessment, the EAll:

- **Increases program accountability and customer trust** by eliminating the gas program administrators to align with the state's commitment to deployment of clean heat technologies. Fewer program administrators will also help streamline program delivery, reducing administrative costs.
- **Improves service delivery to lower income communities** by allowing for the pooling of program funds to support the delivery of a statewide plan to any customer served by at least one investor-owned utility. In addition, it requires that at least 20 percent of the funds be allocated to the low-income residential sector and the prioritization of programs for moderate income residential customers, renters, and commercial small business owners.
- **Creates a unified, customer-centric experience with all aspects of energy efficiency and decarbonization** by requiring program administrators to jointly prepare a single statewide building decarbonization and energy efficiency investment plan, and, where possible, conduct statewide vendor procurements to ensure consistency of service.
- **Establishes a centralized building decarbonization data platform** to enable strategic program deployment and coordinated customer engagement and assistance, particularly among historically underserved communities, while continuing to protect customer privacy. It will be managed by DOER with DPU oversight.
- **Promotes active, culturally attuned community-based engagement** by enabling ongoing work with community-based organizations and municipal partners and including express

language to improve data-sharing with program partners while ensuring customer privacy. Strategies for community engagement are included in the Mass Save Three Year Plan development process.

- **Aligns Mass Save with state’s climate commitments** by explicitly naming it a building decarbonization *and* energy efficiency investment plan.

The EAll differs from the Clearinghouse assessment in a few ways:

- As part of our analysis of options for how best to deliver building decarbonization and energy efficiency programs, the assessment considered expanding Mass Save to include municipal light plants (MLPs). The legislation does not expand Mass Save in this way. The administration is working with MLPs to improve the tracking and crediting of building energy practices in their service territories.
- The EAll will expand existing Massachusetts law to allow utilities to issue rate reduction bonds to securitize costs related to Mass Save, electric grid modernization, storm recovery, and the gas system transition. Securitization will reduce the financial impact of these programs on ratepayers, particularly over the critical next ten years, by spreading the costs over the useful life of energy saving measures.
- The EAll also proposes a number of other provisions that would reduce overall demand for Mass Save rebates and services.

Passage of the Mass Save Transformation provisions of the Healey-Driscoll Administration’s proposed energy affordability legislation will result in a more cost-effective, streamlined program and enhanced customer experience. Thank you to all who participated in the *Clearinghouse* assessment, and to those working to simplify the decarbonization journey for Massachusetts residents.

Sincerely,



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Executive Office of Energy and Environmental Affairs



EXECUTIVE OFFICE of ENERGY
& ENVIRONMENTAL AFFAIRS