

225 CMR 4.00: RESIDENTIAL CONSERVATION SERVICE PROGRAM

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4.01: Definitions

Ancillary Services. One or more services delivered to Residential Customers, which provide education, technical assistance, or information without requiring a visit to the customer's home. These services may also help to qualify a Residential Customer for the delivery of an on-site Audit, a Fuel Neutral Reward, or the RCS Program.

Audit. An assessment of a Residential Building by a Program Vendor that provides a Residential Customer with accurate information about the applicability of Program Measures or Fuel Neutral Rewards.

Coalition Action Plan. The plan developed by RCS Program Administrators pursuant to 225 CMR 4.07.

Commissioner. The Commissioner of the Department of Energy Resources.

DOER. The Massachusetts Department of Energy Resources.

DPU. The Massachusetts Department of Public Utilities

Energy Efficiency Measure. A modification to a Residential Building that decreases British thermal units (BTUs) or kilowatt hours (kWhs) used per square-foot for that Residential Building.

Energy Efficiency Investment Plan (EEIP). Joint plan of the Massachusetts energy efficiency Program Administrators pursuant to M.G.L. c. 25, § 21.

Fuel Neutral Reward. A financial incentive or rebate provided to Residential Customers, regardless of the fuels being used in the building, that facilitates the implementation of Program Measures.

Home Heating Supplier. A person who sells or supplies home heating fuel (including but not limited to No. 2 heating oil, kerosene, butane, propane, biomass, wood pellets, and wood chips) to a Residential Customer for consumption in a Residential Building.

Municipal Aggregator. Any municipality or any group of municipalities acting together within the Commonwealth to aggregate the electrical load of interested electricity customers within its boundaries, as provided in M.G.L. c. 164, § 134(a), that also adopts an energy plan which shall define the manner in which the municipality or municipalities may implement demand side management programs and renewable energy programs as provided in M.G.L. c. 164 § 134(b). For purposes of 225 CMR 4.00, RCS Program Administrator shall be understood to include a Municipal Aggregator.

Outcomes. Performance standards used to assess the success of the RCS program.

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Person. A person is any individual, partnership, corporation, trust, association, utility, agency or any political subdivision of the state.

Program Measure. An Energy Efficiency Measure or a Renewable Resource Measure.

Program Requirement. A requirement adopted by the Commissioner under 225 CMR 4.00 or the State Plan, including, but not limited to, Ancillary Services, Audits, Fuel Neutral Rewards, or any other requirement adopted under M.G.L. c. 164 App. §§ 2-1 through 2-10.

Program Vendor. A person who provides services or products to Residential Customers under 225 CMR 4.00 or the State Plan.

RCS Program Administrator. Any electric or gas distribution company as defined in M.G.L. c. 164, § 1, or corporation as defined in M.G.L. c. 164, § 2 to include all persons, firms, associations and private corporations which own or operate a distributing plant for distribution and sale of gas for heating and illuminating purposes, or of electricity, within the commonwealth but shall not include any alternative energy producer other than persons, firms, associations, and private corporations expressly excluded from the definition of "electric company" in M.G.L. c. 164, § 1. The terms "corporation", "electric company" and "gas company" shall include municipal corporations which own or may acquire municipal lighting plants. RCS Program Administrator shall also include Municipal Aggregators.

Renewable Resource Measure. A modification to a Residential Building that substitutes energy produced from a stock resource (fossil or nuclear fuel) with a renewable resource (including but not limited to solar thermal, photovoltaic, biomass, and wind).

Residential Building. Any building or dwelling that is used, in whole or in part, for residential occupancy and has a system for heating, cooling, or both, regardless of fuel type or utility rate code designation.

Residential Customer. A person who owns a Residential Building, or occupies a Residential Building and receives a bill or bills from a Program Administrator based on energy used in such Residential Building.

State. The Commonwealth of Massachusetts.

State Plan. The guideline prepared by the Commissioner to implement M.G.L. c. 164 App. §§ 2-1 through 2-10.

4.02: RCS Program

(1) The purpose of 225 CMR 4.00 and the State Plan is to establish requirements for the implementation of the Massachusetts Residential Conservation Service (RCS) Program pursuant to M.G.L. c. 25A, §§ 11A, 11G, and c. 164 App. §§ 2-1 through 2-10.

The Massachusetts RCS Program is designed to encourage Residential Customers to conserve energy by providing them with:

- (a) accurate information concerning what they can do to save energy in their own homes;
- (b) such services and programs as are practicable to facilitate the installation and financing of Program Measures; and
- (c) consumer protection, such as through education, inspections, warranties, complaint conciliation procedures, and redress procedures for poor work.

All RCS Program Administrators shall implement the RCS program.

Home Heating Suppliers may voluntarily participate in the RCS program pursuant to 225 CMR 4.11.

(2) DOER shall:

- (a) Provide for a State Plan in the form of a guideline to implement the RCS program.
- (b) Review the Coalition Action Plan to determine whether it complies with the requirements of 225 CMR 4.00 and file a report of such review with the DPU and Energy Efficiency Advisory Council as part of the EEIP process.

4.02: continued

- (c) Establish Outcomes and monitor implementation of the Coalition Action Plan and Municipal Action Plans to ensure that Outcomes are achieved.
- (d) Review and approve RCS operating budgets for those RCS Program Administrators which are not subject to 220 CMR 7.00: *Residential Energy Conservation Service Program Cost Recovery*.
- (e) Review and approve the methodology for recommending Program Measures to Residential Customers to ensure that such recommendations are comprehensive, transparent, and objective.
- (f) Establish criteria for the implementation and inspection of Program Requirements in the State Plan.
- (g) Approve the frequency of services provided under 225 CMR 4.04(3) through (5) as proposed by RCS Program Administrators, and include a process for proposals and approvals in the State Plan.

(3) DPU shall administer the RCS program as directed under M.G.L. c. 164 App. §§ 2-1 through 2-10 and 220 CMR 7.00: *Residential Energy Conservation Service Program Cost Recovery*.

4.03: Eligibility

- (1) The RCS program covers all Residential Buildings, regardless of the type of fuels used in the building, the number of residential units in the building, or whether there is commercial heating equipment in the building.
- (2) All Residential Customers are eligible for a Fuel Neutral Reward under 225 CMR 4.04(7) regardless of the types of fuels used in the building.

4.04: RCS Program Requirements

To comply with 225 CMR 4.00, RCS Program Administrators shall:

- (1) Every three years or sooner, if needed, provide to the DOER the methodology for recommending Program Measures to Residential Customers referred to in 225 CMR 4.02(2)(e) for review and approval.
- (2) As needed, provide to the DOER proposed rules for audit frequency referred to in 225 CMR 4.02(2)(g) for review and approval.
- (3) Create a marketing plan that includes, but is not limited to, a strategy to increase awareness of the program among eligible Residential Customers.
- (4) Provide Ancillary Services to Residential Customers, including but not limited to:
 - (a) A telephone number to answer inquiries from Residential Customers.
 - (b) Protocols for educating and qualifying Residential Customers regarding Audits, Program Measures, and Fuel Neutral Rewards.
 - (c) The maintenance and provision of data relevant to a Residential Building.
- (5) Provide energy audits to residential customers.
 - (a) The Audit shall provide Residential Customers with information about Program Measures regardless of the types of fuels used in the building. Such information shall include Program Measures for which RCS Program Administrators provide Fuel Neutral Rewards and Program Measures which are incented by other entities as approved by the DOER.
 - (b) The Audit shall provide customers with estimates of the energy used in the home and energy savings associated with recommended Program Measures.
- (6) Include Program Measure implementation strategies. The program may provide financial incentives to encourage adoption of Program Measures. Such incentives shall be Fuel Neutral Rewards.

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(7) Submit a quarterly report to DOER, which utilizes a form prescribed by DOER. At minimum, each quarterly report shall include the following information:

(a) Program Outcomes pursuant to 225 CMR 4.05.

(b) A report of Audits that consists of an electronic record, on a per household basis, of the Residential Buildings' energy consumption characteristics and recommended Program Measures. The electronic record will have a field that chronicles if a Residential Customer implements a recommended Program Measure.

(8) Work with RCS Program Administrators subject to 220 CMR 7.00: *Residential Energy Conservation Service Program Cost Recovery* to provide the program in a unified manner, regardless of fuel types.

(9) Comply with the State Plan.

(10) To ensure that Program Measures are installed correctly, an RCS Program Administrator shall make available to Residential Customers a third party inspection of a Program Measure(s) installed by a Program Vendor that has a contractual relationship with said RCS Program Administrator.

4.05: Outcomes

(1) DOER shall establish Outcomes for the RCS program including, but not limited to, gains in Residential Buildings' energy efficiency resulting from the installation of Program Measures.

(2) DOER shall monitor implementation of the Coalition and Municipal Action Plans to ensure that Outcomes are met.

4.06: Qualifications for Program Vendors

(1) On an as needed basis, RCS Program Administrators, with input from Program Vendors and other stakeholders, including consumer and low income consumer representatives, shall propose standards for the qualification and retention of Program Vendors to the DOER. DOER will review and approve the standards to ensure quality work, transparency, fairness, and appropriate consideration of program vendor and stakeholder interests.

(2) Program Vendors must demonstrate to RCS Program Administrators that they meet the statewide standards established under 225 CMR 4.06.

4.07: Coalition Action Plan

(1) RCS Program Administrators subject to 220 CMR 7.00: *Residential Energy Conservation Service Program Cost Recovery* shall submit a Coalition Action Plan to DOER in accordance with the EEIP schedule. The Coalition Action Plan shall describe how the RCS Program Administrators will provide services in accordance with 225 CMR 4.00 and the State Plan.

(2) The Coalition Action Plan shall include plans for program assessment which shall support assessment of Outcomes pursuant to 225 CMR 4.05 and the State Plan, and may also support potential program improvements.

(3) Budget approval for the Coalition Action Plan must comply with 220 CMR 7.00: *Residential Energy Conservation Service Program Cost Recovery*.

4.08: Municipal Action Plan

(1) Municipal utilities that do not participate in the Coalition Action Plan shall submit a Municipal Action Plan to DOER either individually or in coordination with other municipal utilities. Submission of a Municipal Action Plan commits municipal utilities to achieve Program Requirements pursuant to 225 CMR 4.04 and Outcomes pursuant to 225 CMR 4.05.

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(2) Municipal Action Plans shall provide information in accordance with 225 CMR 4.00 and the State Plan.

(3) The RCS program budget for a municipal utility shall be at an annual level equal to and not less than .0025 of its gross annual retail revenues. If a municipal utility lacks sufficient budgetary means using the formula established in 225 CMR 4.08(3) to implement the RCS Program pursuant to 225 CMR 4.00, the municipal utility may request of DOER a waiver from some or all of the requirements of 225 CMR 4.00. The granting of such waiver does not constitute an exemption from the DOER assessment pursuant to 225 CMR 4.10(2) authorized under M.G.L. c. 164 App. § 2 through 7(e).

4.09: Enforcement of Compliance and Complaints Processing Procedures

(1) Pursuant to M.G.L. c. 164, App. §§ 2-1 through 2-10 any person participating in the State Plan must comply with this State Plan.

(2) Program Vendors shall make available conciliation conferences to Residential Customers for the purpose of resolving complaints regarding the installation of Program Measure(s) by said Program Vendor or by any person or entity that has a contractual relationship with said Program Vendor.

(3) Conciliation conferences shall also be made available, through the Department of Public Utilities, against an RCS Program Administrator subject to 220 CMR 7.00: *Residential Energy Conservation Service Program Cost Recovery* with respect to the sale, installation, or financing of a Program Measure(s) by a Program Vendor(s) who has a contractual relationship with such RCS Program Administrator.

4.10: Accounting and Costs

(1) All amounts received or expended by RCS Program Administrators which are attributable to the RCS Program shall be treated pursuant to the terms established in 220 CMR 7.00: *Residential Energy Conservation Service Program Cost Recovery* for those RCS Program Administrators subject to 220 CMR 7.00.

(2) An RCS Program Administrator's share of the assessment under M.G.L. c. 164 App. § 2-7 shall be apportioned according to two factors: its number of Residential Customers and the total British thermal units (BTUs) delivered to its Residential Customers.

4.11: Home Heating Suppliers

(1) A Home Heating Supplier may qualify as an RCS Program Administrator by contributing to program costs pursuant to 225 CMR 4.10.

(2) A Home Heating Supplier may qualify as a Program Vendor by complying with standards set pursuant to 225 CMR 4.06.

4.12: State Plan and Other Reporting Requirements

(1) DOER shall establish the State Plan as guidelines that clarify 225 CMR 4.00, including other reporting requirements. DOER may change or modify the State Plan periodically.

(2) In the event that DOER proposes to change or modify the State Plan, it will provide interested parties the opportunity to review and comment on such proposed changes or modifications.

REGULATORY AUTHORITY

225 CMR 4.00: M.G.L. c. 25, § 19; c. 25A, §§ 6, 7, 11A, 11G; c. 164, §134; c. 164 App. §§2-1 through 2-10, St. 1997, c. 164, and St. 2012, c. 209, § 32.

225 CMR: DIVISION OF ENERGY RESOURCES

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