



**Comments of Natalie Hildt, Manager of Public Policy Outreach
Northeast Energy Efficiency Partnerships (NEEP)
To the Joint Committee on Telecommunications, Utilities and Energy
Regarding Various Energy Efficiency Acts
July 14, 2011**

Chairman Keenan, Chairman Downing and members of the Committee: on behalf of Northeast Energy Efficiency Partnerships (NEEP)¹, thank you for the opportunity to provide testimony on several of the bills before you today, namely: H. 856, H. 877, H. 878, H. 879, H. 888, H. 2621, S. 1652, S.1653, S. 1665, S. 1680, S. 1690, and S. 1698.

By way of introduction, NEEP is a regional nonprofit organization that works to accelerate the efficient use of energy in homes, buildings and industry in the Northeast. We are committed to this work because saving energy creates a stronger economy, a cleaner environment and a more reliable and affordable energy system.

We're pleased to see the continued emphasis being placed upon energy efficiency by the General Court in this session. As you know, energy efficiency delivers multiple economic, environmental and energy system benefits, and its inclusion in many of the titles this Committee will hear testifies to the growing understanding of the valuable role it will play in securing a clean, affordable and reliable energy future for the citizens and businesses of the Commonwealth.

In Support:

The bills NEEP supports pertain to efficiency for heating fuels, building energy information disclosure, appliance efficiency standards and net zero energy buildings.

H. 879 – Relative to oil and propane efficiency

A comprehensive, all-fuels approach to building energy efficiency is a central tenant of NEEP's work. With more than a third of homes in the Massachusetts heating their homes with oil, finding a way to extend energy efficiency program offerings to these customers is critical helping residents save energy and increase comfort while making progress on broader policy goals such as those outlined in the Global Warming Solutions Act of 2008.² Unregulated fuels are a tough nut to crack; with the Massachusetts

¹ These comments are offered by NEEP staff and do not necessarily represent the view of the NEEP Board of Directors, sponsors or partners.

² <http://www.mass.gov/dep/air/climate/gwsa.htm>

Oilheat Council lining up in support of this legislation, we see broad-based support for a policy to reach these customers who now fall through the cracks. Fuel oil dealers who see themselves as energy solution providers will be the ones who prosper in a future in which high energy costs and concerns over emissions continue to be major themes.

NEEP has signed onto a coalition letter which elaborates on reasons to support this important legislation in greater detail, and we offer the following additional points in favor of H. 879:

- Burning oil and propane at end user points (homes and businesses) contributes to emissions, including CO₂, in a way that using electricity does not, so we need to get at that end use to address emissions issues.
- Massachusetts has done a good job of coordinating thermal and electric energy efficiency programs when it comes to gas, but a whole building approach – which has what has been identified as a need if the Commonwealth hopes to reach aggressive energy efficiency and climate goals – means being able to also address homes/buildings that burn unregulated fuels as well.
- Research shows that when people implement one efficiency measure, it opens up opportunities for them to address other efficiency measures, and being able to do so for unregulated fuels customers means that the Commonwealth will no longer miss out on that opportunity.
- Oil is an imported product, which means that every dollar that goes into saving it has a multiplier effect since it stays in the region.

H. 878 – Relative to Appliance efficiency standards

This new package of state appliance efficiency standards will save Massachusetts consumers 65 GWhs annually by 2020 (equivalent to the annual electricity used by nearly 9000 Massachusetts homes), preventing emission of 37,000 Metric tons of associated CO₂ (equivalent to approximately 7250 cars being removed from Massachusetts roads).³

The marketplace has provided a variety of products that currently meet these efficiency standards. The products included in H. 878 have already been passed in a number of states, and specifically⁴ several in the Northeast:

- Hot food holding cabinets and water dispensers- (adopted in CT, MD, DC, NH, RI)
- Portable electric spas (hot tubs)- (adopted in CT)
- Portable light fixtures- (CA)

Infrastructure to monitor qualifying products (except for portable light fixtures) already exists through the [Multi-State Appliance Collaborative](#).⁵ Adoption of these standards will maintain Massachusetts'

³ The Appliance Standards Awareness Project (ASAP) savings estimates for Massachusetts: http://www.appliance-standards.org/sites/default/files/2011_Model_Bill-MA.pdf

⁴ A full list of states approving recent standards: <http://www.appliance-standards.org/states#states-table>

⁵ <http://appliancestandards.org/>

leadership in the area of energy policy and in the area of appliance standards specifically. Following the successful passage of a large package in 2005, this bill would represent the second round of appliance standards in the state. In addition, new appliance efficiency standards was specifically cited in the Commonwealth's "Clean Energy and Climate Plan for 2020" as a key policy to advance in order to meet the state's greenhouse gas reduction goals.

S. 1690 and S. 1698, Titles relative to building energy disclosure

Information on a home or building's energy performance, including utility expenses, can empower all parties involved in real estate transactions, including renters, buyers, sellers financiers and real estate agents. Building energy rating and disclosure is a topic to which NEEP has devoted considerable time, including publication of a "Roadmap for the Northeast on Valuing Building Energy Efficiency through Disclosure and Upgrade Policies."⁶ As S. 1690 and S. 1698 encourage home energy assessment or evaluation at the time of real estate transaction, we believe these bills are a step in the right direction and can help the market understand and value buildings based on the efficiency of their systems.

S. 1653 – Promoting zero net-energy buildings

Zero net-energy buildings are seen as the future of building construction. While an increasing number of super-efficient homes and commercial buildings incorporating onsite renewable and other sustainable features are being built in Massachusetts, the obstacles to the advancement of such a market are considerable. NEEP has been active in promoting net-zero energy buildings with our partners at the Department of Energy Resources and the regulated utility companies, including serving on the Governor Patrick's net zero energy buildings taskforce. NEEP's vision is that the work done today on high performance buildings will pave the way for the development of "net zero" buildings. We support this legislation as a move forward for the Commonwealth toward a goal of broadly deployed net zero energy homes and buildings.

In Opposition

We ask the Committee to report unfavorably on the following titles:

H. 877 – Requiring LEED for state buildings and single family homes

We urge the committee to report unfavorably on this bill. While well-intentioned, NEEP sees H. 877 as mis-informed and mis-applied, both in terms of schools and private residences. First, we have grave concerns about this bill's intent to require LEED⁷ Silver for all residential construction of 5,000 SF for single family and 7,500 SF for multi-family. This would nullify the progress made by the Commonwealth regarding the so-called "stretch energy code" and would not, in fact, assure energy savings like the stretch code would because LEED doesn't necessarily have to focus just on energy, but allows applicants to "shop for points." Also, LEED is not a code and cannot be administered or enforced as code. Therefore, trying to have it implemented as a building code – as has been proven in other states like

⁶ <http://neep.org/public-policy/building-energy-codes/building-energy-rating>

⁷ U.S. Green Building Council's Leadership in Energy and Environmental Design

Connecticut – is impossible, and would undercut the good work the Commonwealth has done on energy codes in the last three years.

Next, we are concerned that this legislation overlooks current practice at the Massachusetts School Building Authority (MSBA) to encourage high performance school design and construction, and would displace a very thorough, effective and beneficial set of criteria already in place to encourage high performance school construction in the Commonwealth.

The Massachusetts Collaborative for High Performance Schools protocol, or MA-CHPS, is currently used by the Massachusetts Department of Education's School Building Authority to set minimum design standards and award additional funding for meeting its criteria to local school districts seeking to build new schools. The Commonwealth has made a significant investment of time and resources in purchasing the CHPS license for Massachusetts, developing and adapting CHPS specifically for the state, and training a significant number of practitioners and other stakeholders on its implementation.

To ensure that MSBA was administering the most up-to-date and appropriate program, MSBA commenced a thorough review of MA-CHPS and USGBC LEED guidelines: "reviewing and refining all assumptions in [their] statewide approach to sustainable design and construction." In March 2010, MSBA announced that all MSBA-funded school projects must now achieve at minimum 40 points of the MA-CHPS criteria or LEED Silver with additional energy requirements. MA-CHPS is more aggressive in its energy requirements, requiring a minimum of 20% greater energy efficiency. Projects utilizing LEED must therefore bump up their energy performance to be on par with MA-CHPS standards.⁸

As there is already a robust process and set of guidelines in place to encourage schools to incorporate energy efficiency and other green design protocols, we encourage you to keep that system intact.

S. 1652 – Relative to energy efficiency in state government

We see this bill as flawed for a number of reasons. First, it would require the Department of Energy Resources and the Division of Capital Asset Management to develop a whole new framework for auditing and tracking energy use in state facilities. It is NEEP's understanding that the Administration already has such a process in place through the state's Leading by Example program, per Executive Order 484⁹.

We are also concerned with the last section on codes. It would require DOER to "develop and implement programs that will support the continued revision and implementation of state-of-the-art residential building codes, including programs to train municipal inspectors and building contractors in new efficiency techniques and materials." First, this only applies to residential and not commercial buildings, which leaves out a significant energy-using sector of the built environment, and bifurcates current efforts at code development, adoption and compliance. Second, through the Green

⁸ More information at http://www.massschoolbuildings.org/programs/green_schools

⁹ <http://www.mass.gov/Agov3/docs/Executive%20Orders/Leading%20by%20Example%20EO.pdf>

Communities Act (GCA), DOER and Board of Building Regulations and Standards are already required to update the code within a year of the national model code being published. Finally, the GCA also contains a provision on guaranteeing compliance through training and education of code inspectors. This bill is largely unnecessary and could hinder much of the good work DOER, DCAM and BBRS are already doing in this regard.

S.1653 – Relative to affordable housing energy efficiency

While well intentioned, this legislation is tied to a building energy performance goal that is inconsistent with the existing state goals for building performance through the code and stretch code appendix. This bill would apply when “applicants demonstrate that the building design incorporates energy conservation measures that exceed those required by the state building code by at least fifteen per cent or are otherwise designed to comply with energy star standards...” Instead, it should be tied statutorily to Appendix 120.AA to the state building energy code, which sets the above code performance targets. It would also, thus, keep the efforts in line with the ratepayer funded efficiency programs, making applicants eligible for that funding as well. Also, the references to the Massachusetts Renewable Energy Trust and the Massachusetts Technology Collaborative are outdated, as there is no longer an MRET; it was subsumed in 2009 into the Massachusetts Clean Energy Center.

H. 856 and H. 2621 – Relative to energy efficiency and renewable energy portfolio

NEEP’s position is that efficiency and renewable sources, while similar in their ability to reduce pressure on traditional generation and transmission resources, are very different in terms of payback, benefits and the way they impact the grid. We see no reason to classify them under the same heading for the state’s Renewable Energy Portfolio Standard, a move that has generally been ill-advised when other states have tried to merge these resources in terms of funding or portfolio goals.

H. 2621, similar to H. 856, would have the effect of watering down the renewables requirements by adding efficiency to the RPS, because the efficiency is going to happen separate and distinct from this whether it’s part of an RPS or not. In other words, since efficiency will already be happening under the Green Communities Act and other measures, quantifying it as part of the RPS would result in the amount of renewable energy being required under the RPS being 5 percent less.

S. 1680 – Creating an energy efficiency pilot program

The electric and gas energy efficiency programs work in Massachusetts because of the unified and coordinated funding, marketing, operation and evaluation. Any proposal exempting the largest commercial and industrial users from the systems benefit charge but requiring them to use such monies to develop and implement other energy efficiency and demand management projects would not represent the best use of ratepayer dollars to advance energy efficiency, but would present additional burdens on these businesses. Such projects or programs would still require independent and rigorous evaluation, measurement and verification, posing costs and responsibilities not currently encountered and removing the opportunity to leverage common funds. The jointly administered state-wide efficiency programs work because of the technical expertise and verified savings of the regulated programs. For

these reasons, exempting certain businesses from the state-wide efficiency programs is not a sound idea in policy or practice.

Again, we thank the committee for your many good efforts to harness the power of energy efficiency and clean energy in the Commonwealth, and thank you for the opportunity to provide these comments. Please do not hesitate to contact me with any questions regarding this testimony or other matters related to energy efficiency policies in Massachusetts or across the region.



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