



**To: The Massachusetts Energy Efficiency Advisory Council**  
**From: Bob Van Meter, Mike Davis, and Emily Jones (LISC Boston)**  
**Date: April 4, 2018**  
**Re: Recommendations for EEAC's 2019-2021 Three-Year Energy Efficiency Plan**

Thank you for your work to develop and expand nation-leading energy efficiency programs in Massachusetts. We write in support of the following programs being funded through the EEAC's 2019-2021 Three-Year Energy Efficiency Plan:

- **Passive House Training** – Encouraging Passive House construction will help drive deep energy savings for the building sector. LISC sees great opportunity in additional uptake for Passive House within MA's affordable housing sector. However, because Passive House is a new construction technique, more training is needed to ensure proper technique. It is critical that Passive House training be provided to all general contractors, subcontractors, and consultants working on these projects to ensure quality construction and cost containment. In New York where Passive House is gaining momentum, EEAC's equivalent New York State Energy Research & Development Authority (NYSERDA) partially funded these Passive House Trainings for the first three years to ensure all applicable contractors and consultants became Passive House certified. We suggest the EEAC consider up to \$1 million of similar funding, which would include training, curricula development, demonstration training equipment, and specialized facility needs, to help drive this innovative building method forward.
- **Passive House Pilot Projects** – In addition to incentivizing training to ensure contractors and consultants fully understand and apply Passive House construction methods, we believe funding Passive House pilot projects will be critical to move toward achieving scale in the affordable housing sector. To address cost overruns related to piloting a Passive House project, allotting up to \$5 million would cover any Total Development Cost gap for emerging Passive House projects in MA. This initial market investment would generate learnings and approaches that would drive down project costs to standard construction levels. As a condition of receiving this funding, pilot projects could be required to benchmark their projects for at least 5 years to generate adequate post-construction energy savings data. These data could then be referenced by lenders post-investment period to inform the systemic underwriting of Passive House projects' projected energy savings if any TDC increases still exist.
- **Green Design Charrettes for Substantial Rehab Projects and Passive House New Construction** – Green design charrettes provide an integrated design process that promotes deep, long-term energy savings through cost-effective decisions. While these charrettes are currently incentivized for a narrow subset of new construction projects, LISC strongly recommends that the EEAC also support green design charrettes for affordable multifamily rehab project development teams, as well as for teams committed to building new construction projects to Passive House standards. On average, \$5,000-\$7,000 should be allotted per rehab project, and \$7,500 per Passive House new construction project.
- **Expansion of LEAN Multifamily Program to 80% SMI** – From speaking with LEAN Multifamily Program Administrators, our understanding is that flexibility was provided in the last Three-Year Plan for LEAN to provide services to properties with a majority of households up to 80% of State Median Income (SMI). However, this eligibility cutoff is currently determined on a case-by-case basis and not marketed. We think expanding the LEAN Multifamily Program to 80% SMI, which would bring its eligibility guidelines in line with HUD's definition of low-income, should be fully standardized. If there are any concerns related to the budget impact that may result from



expanding program eligibility, we recommend that LEAN's budget be proportionally increased to ensure all residents at or below 80% SMI are equitably served by this valuable program.

We believe that the EEAC is in a position to advance the progress of energy efficiency services in the Commonwealth. We thank you for your leadership in the design of cost-saving, environmentally-beneficial energy services, and ask for your partnership moving forward.

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