

Investigating the Needs of Moderate Income Customers

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About Mass Save[®] Residential Offerings

- Mass Save[®] is a collaborative of the Massachusetts Program Administrators (PAs) that provides rebates and services for energy efficiency upgrades.
- Historically, Mass Save[®] has provided Home Energy Services (HES) for market-rate residential customers in 1-4 unit buildings, and an Income Eligible Program, available to residential customers up to 60% State Median Income (SMI). A separate multi-family program addressed buildings with >5 units.
- In the 2016-2018 program cycle, Mass Save established the Moderate Income Offer for customers with incomes between 61% - 80% SMI in 1-4 unit buildings.



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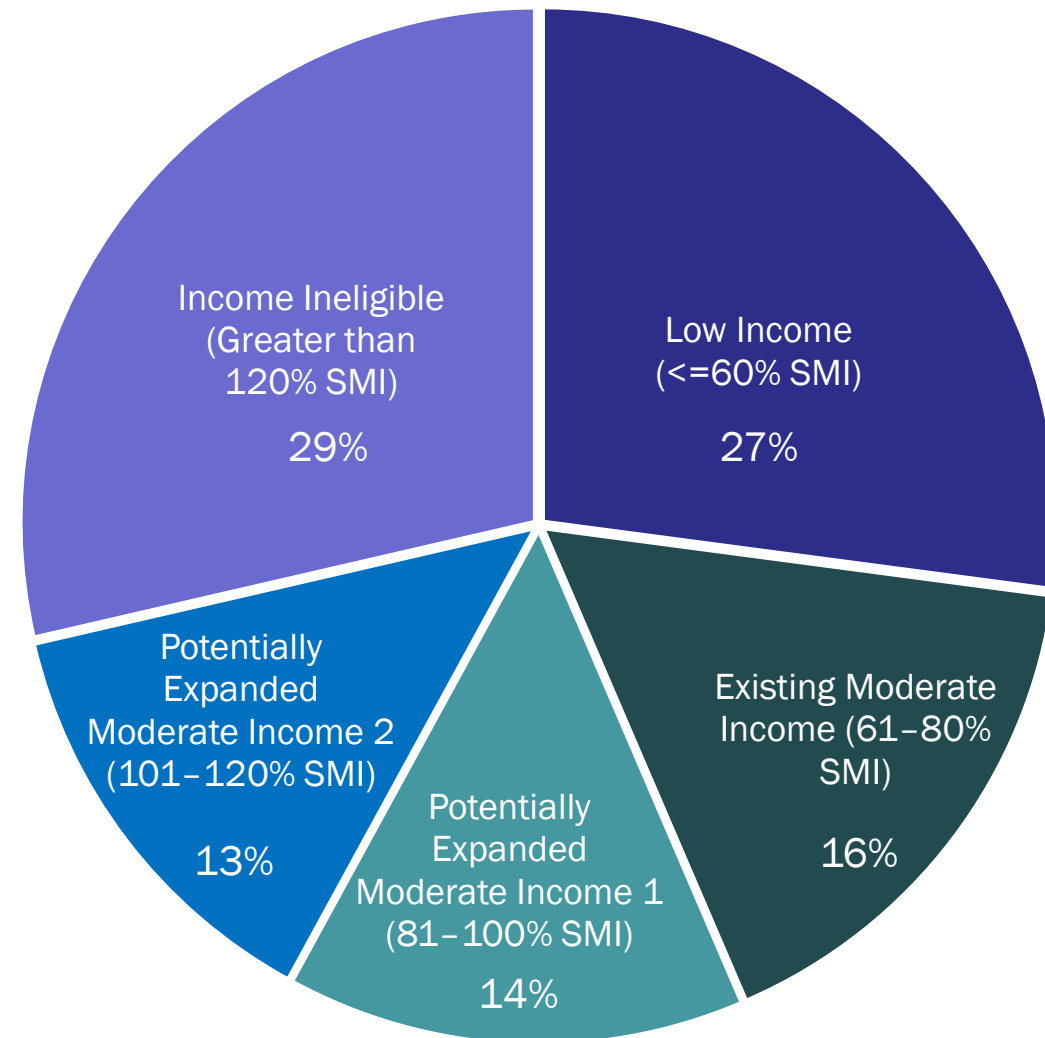
Moderate Income Offer Study Objectives and Methods

- Objectives: understand moderate income customers, including awareness of programs and their specific energy efficiency needs, and explore whether the Moderate Income offering should be expanded to those with slightly higher incomes
- Methods:
 - Web-based customer surveys, based on a pool of respondents to a prior residential evaluation study, excluding residents of multifamily buildings with ≥ 5 units which are eligible for a different program (n=978, 25% response rate)
 - In person in-depth qualitative interviews (n= 22)
- Key Indicators: Awareness of the Home Energy Audit (HEA) offer, participation in an HEA, and installation of energy efficiency measures through Mass Save
- Potential limitations: Modal Bias, Sampling Bias, Response Bias



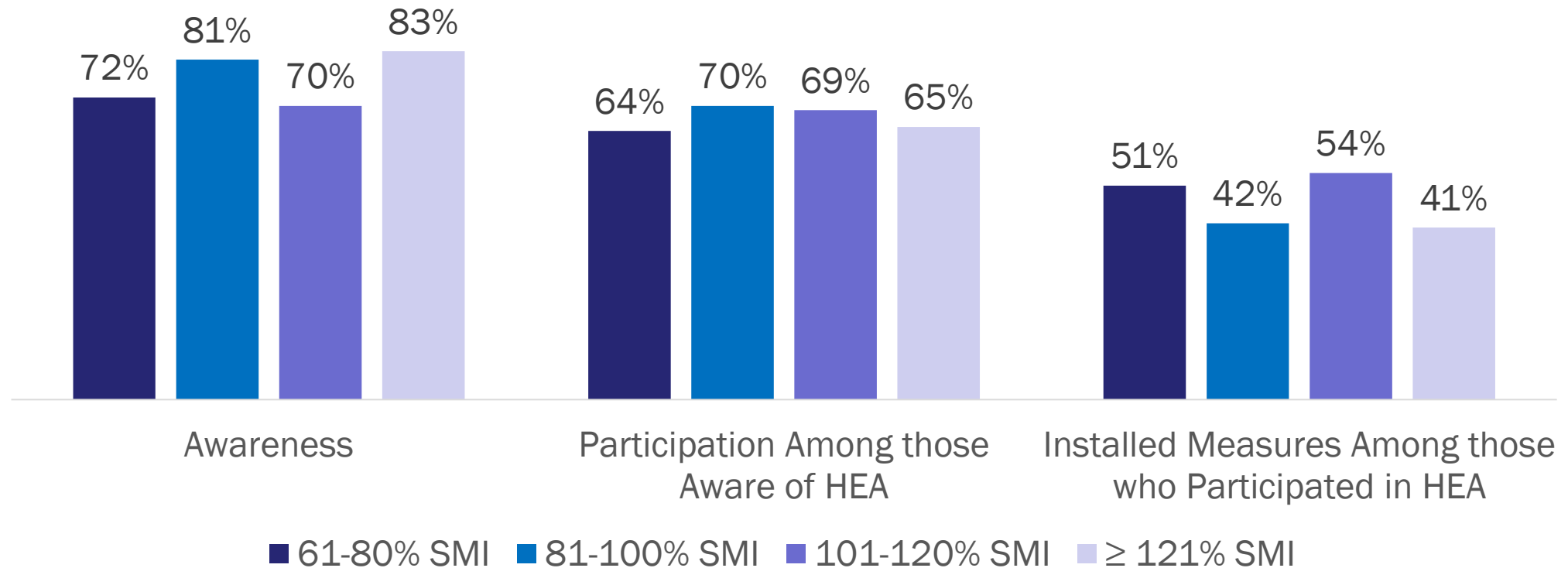
Population Estimate

- The American Community Survey (2011-2015) estimates there are 2,020,203 MA households that occupy 1-4 unit buildings, and 90% of these are served by Program Administrators
- The customer survey suggests 16% of these households would be eligible for the existing Moderate Income offering.



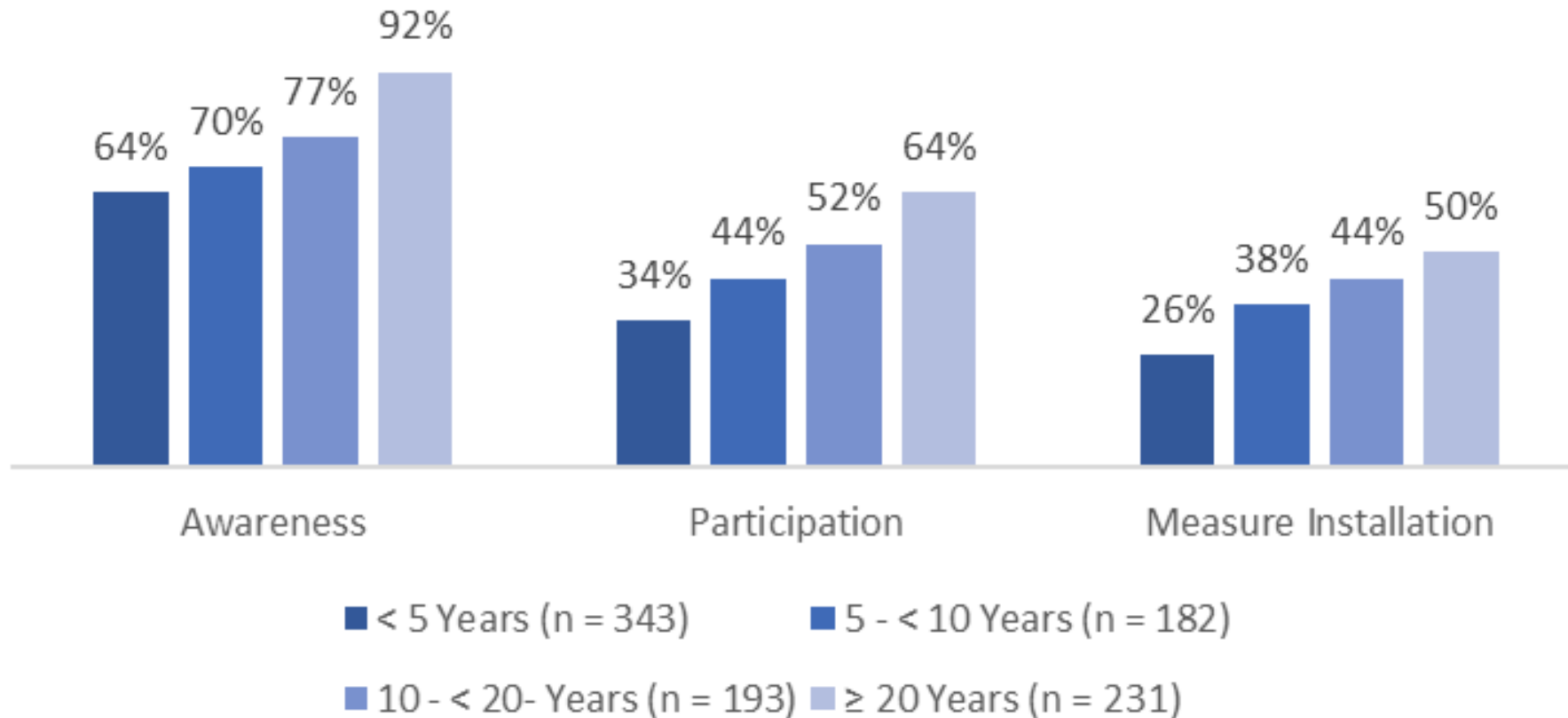
Finding #1: No Trends by Income across Key Indicators

There are no discernable trends or significant differences for the three indicators of awareness, participation, or measure installation for moderate income customers compared to other income groups



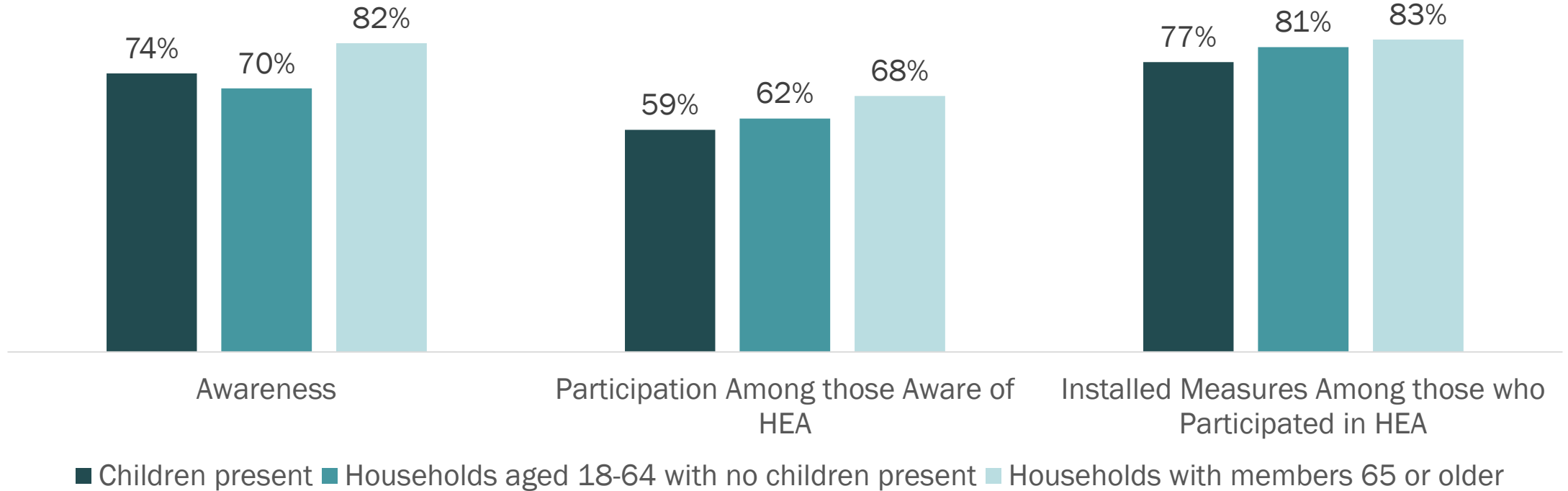
Finding #2: Time in Home Correlated with Key Indicators

The longer a person has been in home, the more likely they are to be aware, participate, and install measures through Mass Save.



Finding #3: Life Stage Influences Program Engagement

The survey found that, when all incomes are considered, there is higher awareness of and participation in the HEA for households with individuals 65 and older, compared to households with children.

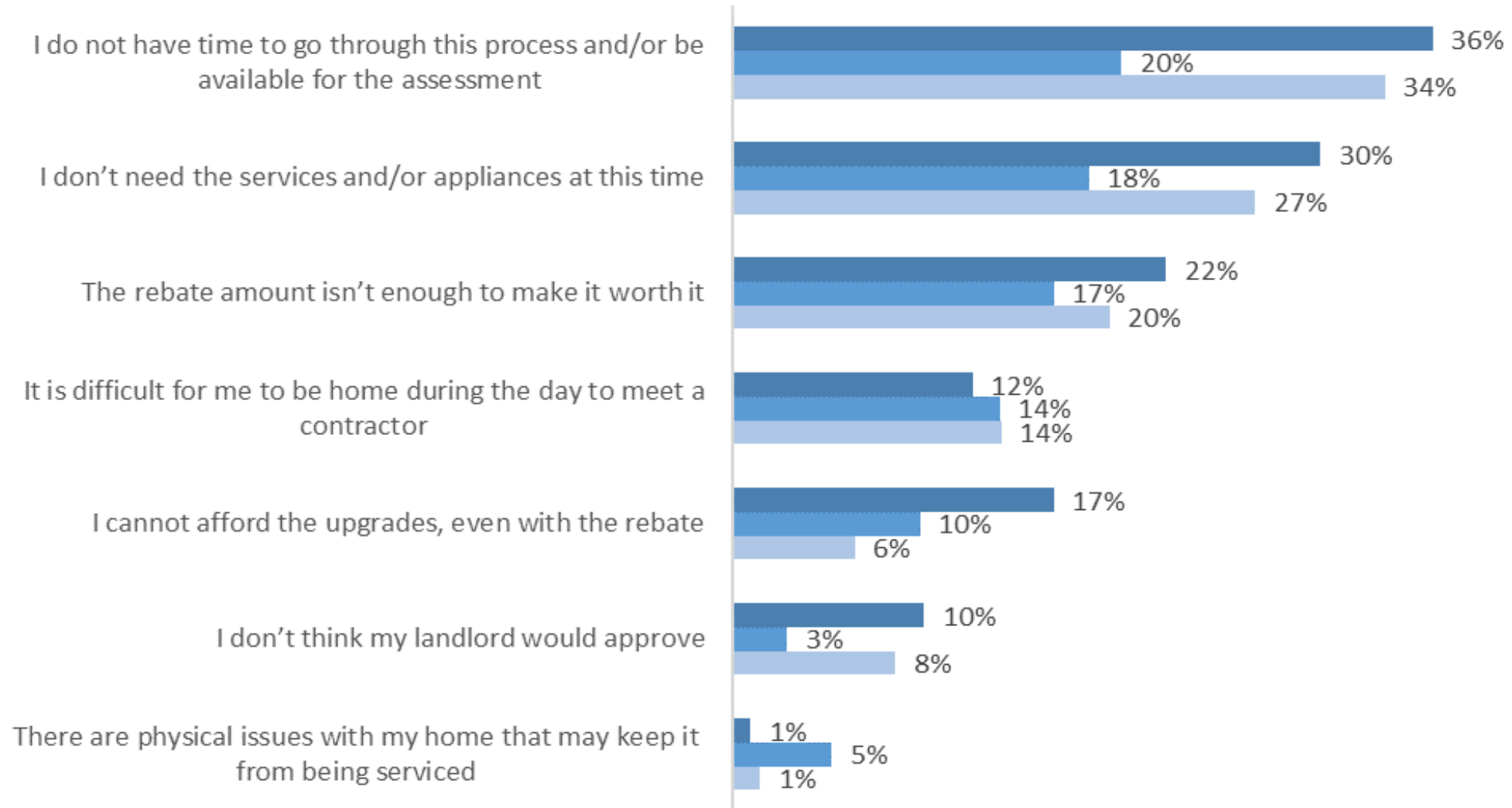


Finding #4: Time + \$ + Specific Awareness of the Program = Participation

Subgroup	Common Characteristics
Retirees/senior citizens	<ul style="list-style-type: none">• Have planned savings and budgets• Have more free time• Are more aware and likely to participate in an HEA• Report being open to income verification processes if they know it will help them save money
Young heads of households	<ul style="list-style-type: none">• Have little disposable income• Have minimal free time• Are generally aware of energy efficiency; however, efficiency decisions often take a back seat to other priorities• Are not as aware of the HEA• Indicate that the decision to participate is dependent on the perceived value they will receive for their time



Finding #5: Lack of Time Impedes Participation

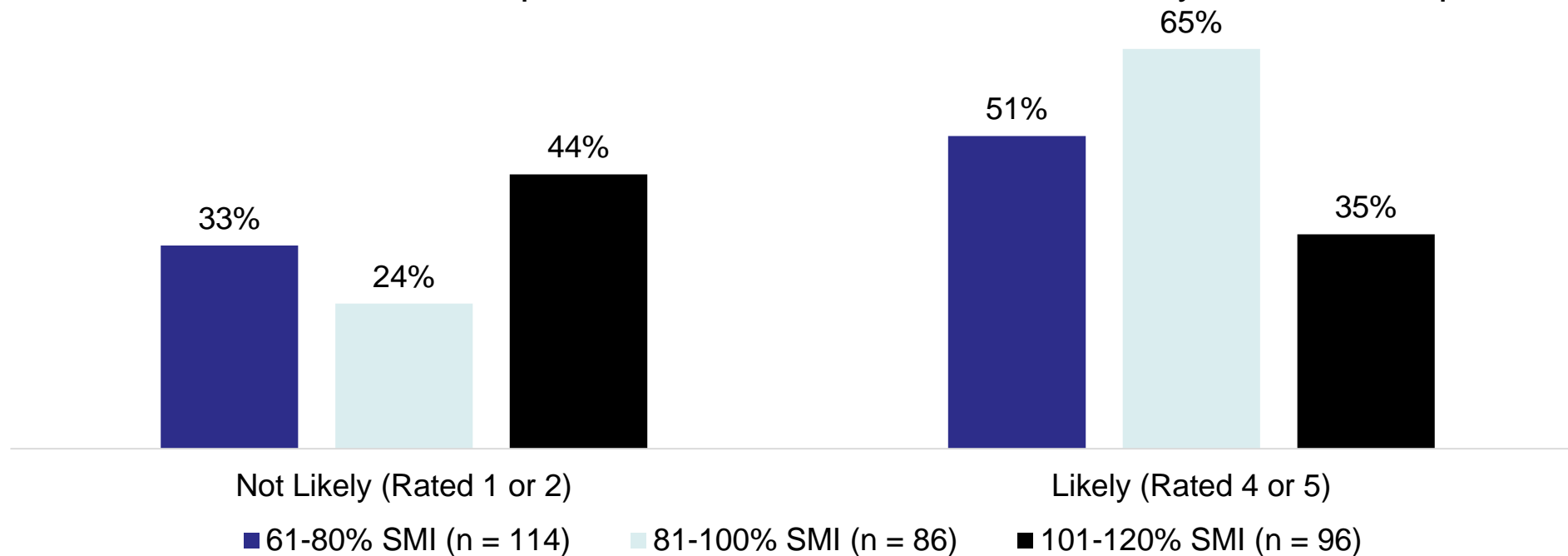


■ 61 - 80% SMI (n = 116) ■ 81 - 100% SMI (n = 91) ■ 101 - 120% SMI (n = 104)

Finding #6: Building Trust is Essential for Customer Engagement

- Income verification can be a barrier to program participation

Likelihood to Participate in Income Verification Process by Income Group



- Follow-up in-depth qualitative research found that establishing trust through personalized and more in-depth discussion may help overcome that barrier.

Conclusions and Follow Up

- In depth qualitative research yielded new insights beyond those gathered through survey-based research
- There are opportunities to improve participation not solely defined by income
- To increase participation, PAs should make it easier for customers with limited time to participate
- Establishing trust is important to encourage participation
- In response, PAs streamlined their program and are seeking to help customers proceed with income verification
 - Online income verification application
 - Streamlined documentation requirements
 - Increased weatherization incentives
 - Revised energy specialist scripts



Questions?

Final Report: <http://ma-eeac.org/wordpress/wp-content/uploads/Moderate-Income-Market-Characterization-Report-Final-16Mar2018.pdf>

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