

First Essex

Some Impacts of Mass Save and Alternative Compliance Payments in the First Essex Senate District, represented by Sen. Pavel M. Payano

Over the decade from 2012-2023, efficiency investments in Massachusetts created \$34 billion in lifetime benefits, a 3.5x return on every dollar spent. Here are conservative, partial estimates of some of the benefits received by the First Essex district:

- In the last Mass Save plan, from 2022-2024, households in this district received \$34,143,000 in gas and electric incentives.
- Last year, households in this district received \$6,912,000 in Mass Save weatherization incentives, which bring down energy bills by reducing home energy use. This was more than 90% of other districts received. 84% of this money went to Low and Moderate-Income Households (<80% of state median income).
- Last year, households in this district received \$2,150,000 in Mass Save heat pump incentives, helping families access efficient heating and cooling year-round. 46% of this money went to Low and Moderate-Income Households (<80% of state median income).
- 53% of this district's population lives in a Designated Equity Community, automatically qualifying for extra support and streamlined access to incentives.
- This district is currently on track to receive an estimated \$738,000 in Passive House incentives through Mass Save, based on a total of 176 Passive House residential units that have been built or are in progress. These high-performance homes reduce energy bills, improve health and comfort, and increase resilience.
- This district is currently on track to receive an estimated \$136,000 in funding to retrofit and decarbonize affordable housing units from the DOER Affordable Housing Decarbonization Grant and Technical Assistance Programs, which are funded by Alternative Compliance Payments.

And these district-level investments only tell part of the story.

- The Massachusetts clean energy industry employs more than 115,000 people and contributes \$15.9 billion to the Gross State Product. A majority of these jobs are in energy efficiency, demand management, and clean heating and cooling.
 - 58% of these companies are small businesses with 10 or fewer workers.
 - 74% of these jobs are outside Route 128.
- Even households who don't receive direct incentives still benefit from lower peak loads.
 - Much of the state's grid infrastructure sits idle most of the year, existing just to serve peak demand. 10% of electricity use is responsible for 40% of electricity costs.
 - Efficiency programs like weatherization, deep energy retrofits, and Passive House cut peak demand and could save ratepayers 950 million annually by 2030.

These incentive estimates are conservative and do not represent the full impact of Mass Save and ACP, since they exclude many categories of spending (e.g. commercial and industrial incentives) that are not broken out geographically across the state. Compiled by Alexander Gard-Murray, PhD, MSc, Executive Director of Passive House Massachusetts and Fellow at the Greenhouse Institute, based on data from Mass Save, MassCEC, MassGIS, Mass DOER, Phius, PHI, the Acadia Center, and LISC.