

225 CMR 4.00: RESIDENTIAL CONSERVATION SERVICE PROGRAM

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4.01: Scope and Coverage of State Plan and Regulations

(1) Scope of State Plan. The State Plan establishes procedures for the implementation of the Massachusetts Residential Conservation Service (RCS) Program pursuant to M.G.L. c. 25A, § 11A, c. 164 App. §§ 2-1 through 2-10 and St. 1997 c. 164.

The Massachusetts RCS Program is designed to encourage residential energy consumers to conserve energy by providing them with:

- (a) accurate information concerning what they can do to save energy in their own homes;
- (b) assistance in locating reliable contractors and arrangement for the installation of energy conservation and renewable resource measures;
- (c) such services and programs as are practicable to facilitate financing the installation of program measures; and
- (d) consumer protection through education, inspections, warranties, complaint conciliation procedures, and redress procedures for poor work.

(2) Coverage of State Plan.

- (a) All Program Administrators shall implement the Program Requirements for Residential Customers at such times and in such manner as prescribed in the State Plan.
- (b) A Home Heating Supplier may voluntarily participate in the State Plan pursuant to 225 CMR 4.15.

(3) State Regulatory Authority. The Division of Energy Resources (DOER) shall establish and review RCS program Outcomes, all other RCS Program Requirements, and approve the Coalition Action Plan. The Department of Telecommunications and Energy (DTE) shall review and approve RCS operating budgets as to the reasonableness of the proposed expenditures for those Program Administrators subject to DTE's jurisdiction. DOER shall review and approve RCS operating budgets for those Program Administrators, which are not subject to DTE's jurisdiction. Both DOER and the DTE are authorized pursuant to M.G.L. c. 164 App. §§ 2-1 through 2-10 and St. 1997 c. 164 inserting M.G.L. c. 25A, §11G.

- (a) DOER is responsible for developing and implementing the RCS Program. The Commissioner is authorized to:
  - 1. promulgate regulations;
  - 2. prepare a State Plan in the form of guidelines;
  - 3. review the Coalition Action Plan for approval; and
  - 4. monitor the Outcomes of the program to ensure that it achieves the desired Outcomes established annually under said plan.
- (b) The Residential Conservation Service Act authorizes DTE to review for approval the RCS Program budgets of those Program Administrators subject to its jurisdiction; to establish and authorize the recovery of those costs from ratepayers; and to resolve complaints against said Program Administrators arising from their participation in the RCS Program.

4.02: Definitions

Appropriate Services. One or more services delivered to Residential Customers, which provide education, technical assistance and 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, and Energy Efficiency Programs.

Audit. An on-site assessment of a Residential Building by a Program Vendor that provides a Residential Customer with accurate information about the applicability of Program Measures and a Fuel Neutral Reward.

Coalition. An association of Program Administrators and Program Vendors.

Coalition Action Plan. A complete plan for the program developed jointly by the Coalition that complies with the State Plan and Program Requirements.

Commissioner. The Commissioner of the Division of Energy Resources.

DOER. The Massachusetts Division of Energy Resources.

DTE. The Massachusetts Department of Telecommunications and Energy.

Energy Efficiency Measure. A modification to a Residential Building that decreases BTUs per square-foot for that Residential Building.

Energy Efficiency Programs. Offerings to Residential Customers by Program Administrators of energy efficiency products and services designed to reduce the amount of energy used to serve end-uses including, but not limited to lighting, heating, and cooling.

Fuel Neutral Reward. A financial incentive that facilitates the implementation of Program Measures.

Home Energy Rating System (HERS). A nationally recognized system that scores the relative efficiency of a Residential Building in comparison to a baseline scale.

HERS Rater Certification. A process, which combines training and examinations, that qualifies a person as having one of several levels of expertise about the Home Energy Rating System.

Home Heating Supplier. A person who sells or supplies home heating fuel (including No. 2 heating oil, kerosene, butane, and propane) to a Residential Customer for consumption in a Residential Building; a Participating Home Heating Supplier is such a supplier who elects to participate in the State Plan pursuant to 225 CMR 4.15.

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. For purposes of 225 CMR 4.00, the term Program Administrator shall be understood to include a Municipal Aggregator.

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

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

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. Program Administrator shall also include Municipal Aggregators.

4.02: continued

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

Program Requirement. A requirement adopted by the Commissioner under the State Plan, including, but not limited to, Appropriate Services, Audits and Fuel Neutral Reward 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 the State Plan.

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

Residential Building. Any building or dwelling that is used for residential occupancy and has a system for heating, cooling, or both.

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

State. The Commonwealth of Massachusetts.

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

4.03: Eligibility

Residential Customers are eligible to receive RCS program services as detailed in the State Plan, if they own or occupy a Residential Building, and receive a bill or bills from a Program Administrator for individually metered energy used in said Residential Building.

4.04: Qualification for Program Vendors

Within one year from the date when 225 CMR 4.00 becomes effective Program Vendors must have the capability to deliver a Home Energy Rating System evaluation performed by a certified rater. Thereafter, all new auditors shall be HERS Rater certified. The State Plan will identify the level of HERS certification for new auditors and additional Program Vendor qualifications.

4.05: Outcomes

- (1) DOER shall annually establish Outcomes for Program Administrators in the State Plan.
- (2) Outcomes shall establish, at a minimum, gains in Residential Buildings' energy efficiency resulting from the installation of Program Measures.
- (3) DOER may monitor the Outcomes and may provide technical assistance and recommendations.
- (4) The Coalition Action Plan shall include plans for program evaluation to support assessment of Outcomes and potential program improvements.

4.06: Coalition Action Plan

- (1) DOER shall outline in the State Plan the format and information requirements of the Coalition Action Plan.
- (2) Budget approval for Program Administrators will be consistent with the approval process established by M.G.L. c.164 App. § 2-7.

4.06: continued

- (3) Program Administrators shall file jointly with DOER, for its approval, the Coalition Action Plan for the ensuing program year.
- (4) Program Administrators are committed to work in a coordinated manner with each other in order to present the program in a unified manner.
- (5) Within the Coalition Action Plan a Program Administrator shall state how its Residential Customer, who is served by more than one Program Administrator, will simultaneously receive in a unified manner each Program Administrator's program offerings, including but not limited to Appropriate Services, Audit, Fuel Neutral Reward, and Energy Efficiency Programs.
- (6) Program Administrators are free to include specific program offerings solely to their customers or in conjunction with other Program Administrators.
- (7) In reviewing the Coalition Action Plan, DOER recognizes that municipal utility Program Administrators may have financial and other constraints that may determine their program offerings.

4.07: Municipal Action Plan

- (1) Municipal utilities that do not participate in the Coalition Action Plan may file municipal action plans either solely or in coordination with other municipal utilities. Submission of a municipal action plan commits municipal utilities to achieve program Outcomes.
- (2) Information requirements for annual municipal action plans will be outlined in the State Plan.
- (3) Municipal utilities must report annually to DOER their program Outcomes in an electronic format described in the State Plan.

4.08: Program Publicity

The Coalition Action Plan shall have a marketing plan that shall include, but is not limited to, a strategy to provide eligible Residential Customers with an equal opportunity to be aware of and to obtain accurate information about the program.

4.09: Appropriate Services

The Coalition Action Plan shall provide a description and plan for delivery of Appropriate Services to Residential Customers. This shall include, but is not limited to:

- (a) a toll free telephone number to answer inquiries from Residential Customers;
- (b) protocols for educating Residential Customers and qualifying Residential Customers for Audits and/or other Energy Efficiency Programs; and
- (c) the maintenance and provision of required data including information about inquiries, responses, and referrals to Audits and other services in an electronic format.

4.10: Audits

- (1) The Audit objective is that the Residential Customer have an opportunity to participate in all relevant Energy Efficiency Programs and is motivated to implement Program Measures.
- (2) DOER shall require a report of Audits that consists of an electronic record 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.
- (3) DOER shall provide a range of deemed energy savings and deemed energy generation for Program Measures. Program Administrators must make this information available to Residential Customers at the time of the Audits.

4.10: continued

- (4) Program Administrators shall have Program Vendors deliver services in a prompt manner, generally, within 30 days of request.

4.11: Program Measure Implementation

- (1) A Fuel Neutral Reward will be established for Program Measures in order to encourage Residential Customers to implement recommended Program Measures.
- (2) Program Administrators shall have available to Residential Customers who implement Program Measures a third party inspection to insure that the Program Measures were installed correctly.
- (3) DOER shall establish criteria for the implementation and inspection of Program Measures, as described in the State Plan.

4.12: 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, including, but not limited to participating Home Heating Suppliers, shall make available conciliation conferences to Residential Customers for the purpose of resolving complaints against any person other than a Program Administrator who sells, installs, or finances the sale or installation of any Program Measures under this State Plan. Conciliation of Residential Customer complaints shall also be made available through the Department of Telecommunications and Energy against those Program Administrators, subject to DTE jurisdiction, which sell, install, or finance the sale or installation of Program Measures.

4.13: Municipal Utility Program Budget

The program budget for a municipal utility shall be at an annual level equal to and not less than  $\frac{1}{4}$  of 1% of its gross annual retail revenues.

4.14: Accounting and Costs

- (1) All amounts received or expended by Program Administrators which are attributable to the Massachusetts RCS Program shall be treated pursuant to the terms established in 220 CMR 7.02 for those Program Administrators subject to Department of Telecommunication and Energy jurisdiction.
- (2) A Program Administrator's share of program costs for Appropriate Services and evaluation will be apportioned according to three factors: its number of Residential Customers, the total BTUs delivered to Residential Customers, and a correction factor that accounts for the difference in the price of the Program Administrators' energy resources.
- (3) A Program Administrator's cost for Audits, Fuel Neutral Rewards and other on-site Program Requirements is based on its Residential Customers' participation.

4.15: Home Heating Suppliers

- (1) A Home Heating Supplier may qualify as a Program Administrator by contributing to program costs described in 225 CMR 4.14.
- (2) A Home Heating Supplier may qualify as a Program Vendor by fulfilling the requirements of 225 CMR 4.04.

4.16: Establish the State Plan and Other Reporting Requirements

(1) DOER shall establish the State Plan and other reporting requirements. DOER may change or modify the State Plan and such reporting requirements periodically, as deemed necessary, but not more frequently than on an annual basis.

(2) In the event that DOER proposes to change or modify the State Plan and the reporting requirements, 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 and St. 1997, c. 164.

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