

By Mr. Mofenson of Newton, petition of David J. Mofenson that the Department of Public Utilities be required to provide weatherization and energy conservation services for owners of residential property. Energy.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-Eight.

AN ACT REQUIRING CERTAIN PUBLIC UTILITIES TO PROVIDE WEATHERIZATION AND ENERGY CONSERVATION SERVICES FOR OWNERS OF RESIDENTIAL PROPERTY.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 The General Laws are hereby amended by inserting after chapter
2 164A the following chapter: —

3 **CHAPTER 164B.**

4 **RESIDENTIAL WEATHERIZATION AND**
5 **ENERGY CONSERVATION SERVICES.**

6 *Section 1.* Sections one through fifteen of this chapter shall be
7 known and cited as the Residential Weatherization and Energy
8 Conservation Services Act.

9 *Section 2.* The general court finds and declares that:

10 (1) There is an urgent and continuing need for all residents of
11 Massachusetts to conserve energy;

12 (2) Many of the homes in Massachusetts are in need of
13 additional insulation and other weatherization measures to make
14 them more energy efficient;

15 (3) Insulation and other weatherization measures in many cases
16 can conserve energy and make it available for other uses at less cost
17 than energy from new sources; and

18 (4) Expenditure by energy suppliers on conservation programs is
19 in many cases a prudent and cost-effective means of gaining new
20 supplies for energy consumers.

21 *Section 3.* As used in this chapter the following terms shall have
22 the following meanings:

23 (1) "Commercial lending institutions" means any bank,
24 mortgage banking company, trust company, savings bank, savings
25 and loan association, credit union, national banking association,
26 federal savings and loan association or federal credit union
27 maintaining an office in this commonwealth.

28 (2) "Dwelling" means real property within the commonwealth
29 inhabited as the principal residence of an owner or renter and
30 which is occupied at the time weatherization services are requested.

31 "Dwelling" does not mean a mobile home as defined in section
32 thirty-two Q of chapter one hundred and forty.

33 (3) "Public utility" a gas or electric company as defined in section
34 one of chapter one hundred and sixty-four.

35 (4) "Weatherization services" means providing and installing
36 items primarily designed to improve the efficiency of space heating
37 and energy utilization of a dwelling. Such items include, but are
38 not limited to, caulking, weatherstripping and other infiltration
39 preventative materials, ceiling and wall insulation, crawl space
40 insulation, vapor barrier materials, timed thermostats, insulation
41 of heating ducts and hot water pipes and water heaters in unheated
42 spaces, storm doors and windows, double glazed windows and
43 dehumidifiers.

44 (5) "Department" means the department of public utilities.

45 *Section 4.* Each public utility providing gas or electric service
46 shall present for approval by the department of public utilities a
47 residential energy conservation program which, to the satisfaction
48 of the department:

49 (1) Makes available to all residential customers of the public
50 utility, upon request, information about weatherization and other
51 means of saving energy;

52 (2) Provides to all residential customers of the utility desiring
53 such service assistance and technical advice concerning advantages
54 and disadvantages of various methods of saving energy in that
55 customer's dwelling unit, including but not limited to an estimate
56 of the cost to the customer of the weatherization services provided
57 under the program;

58 (3) Provides weatherization services upon request of the owner
59 of a dwelling unit served by the utility. The utility shall not be

60 required to provide weatherization services costing greater than
61 fifteen hundred dollars except in the case when storm windows are
62 installed together with other weatherization services, and then in
63 an amount no greater than two thousand dollars;

64 (4) Provides that weatherization services performed under the
65 program are performed in such a workmanlike manner and with
66 such materials as to be in accordance with the prevailing standards
67 of the industry;

68 (5) Allows the residential customer, with approved credit, to pay
69 for the weatherization services performed under the program over
70 a reasonable period of time, in no case greater than ten years, and
71 at an interest rate paid by the customer not in excess of that
72 determined by the department; and

73 (6) Sets a reasonable time schedule for effective implementation
74 of the elements set forth in subsections (1) to (5) of this section in
75 the service areas of the utility.

76 *Section 5.* No public utility shall be required to provide the
77 services described in subsections (2) and (3) of section 4 to a
78 residential customer unless that public utility is the primary
79 provider of space heating energy for that customer.

80 *Section 6.* (1) In arranging financing for residential customers
81 for weatherization services pursuant to subsection (5) of section 4,
82 the public utility may either use its own funds for loans to
83 customers or arrange for financing for customers through one or
84 more commercial lending institutions.

85 (2) If financing is arranged through a commercial lending
86 institution pursuant to this section, the public utility shall:

87 (a) Act on behalf of the customer in arranging financing, in order
88 that the residential customer need not deal directly with the lending
89 institution to obtain financing for weatherization services;

90 (b) Reimburse the commercial lending institution for any
91 difference between the rate charged by the lender and the rate
92 allowed by the department pursuant to subsection (5) of section 4;
93 and

94 (c) Guarantee the payment of the principal portion of the loan
95 from the commercial lending institution.

96 *Section 7.* Before approving a utility program pursuant to
97 section four, the department shall consult with the secretary of
98 environmental affairs.

99 *Section 8.* The department may require as part of a utility
100 residential weatherization program that, for customers with
101 approved credit, the utility add to the periodic utility bill for the
102 owner-occupied dwelling unit for which weatherization services
103 have been provided an amount agreed to between the owner of the
104 dwelling unit and the utility.

105 *Section 9.* For dwelling units not occupied by the owner and for
106 which utility service is separately metered and billed to the
107 occupant, permission for the performance of weatherization
108 services shall be obtained from the owner of the dwelling unit and
109 financing for the weatherization services shall be arranged through
110 the owner. Payment for weatherization services performed under
111 the program shall be the responsibility of the owner of the dwelling
112 unit. Contracts for weatherization with an owner of more than one
113 single family or multiple family dwelling unit shall not exceed ten
114 thousand dollars outstanding at any one time.

115 *Section 10.* (1) The cost of weatherization services provided
116 pursuant to this chapter shall be a personal obligation of the owner
117 of the dwelling unit who requests weatherization services.

118 (2) Any amount due that public utility or commercial lending
119 institution under the program and not paid in full within thirty
120 days after completion of the weatherization services shall become a
121 lien on the property on which the weatherization services were
122 performed. The lien shall have the same priority as a mortgage. A
123 notice of the lien may be filed in the registry of deeds for the county
124 in which the services were performed. The notice shall set forth:

125 (a) The amount of the remaining balance due at the time of the
126 filing of the notice; and

127 (b) The amount, if any, that will appear as a charge on the
128 periodic utility bill for that dwelling unit until the remaining
129 balance is paid.

130 *Section 11.* The register of deeds for the county shall record the
131 notice described in subsection (2) of section 10 in a manner
132 designed to appear in the mortgage records of the county.

133 *Section 12.* The provision of weatherization services to a
134 dwelling unit shall be considered part of the utility service rendered
135 by the public utility.

136 *Section 13.* In order to avoid duplication of efforts by the
137 department and the secretary of environmental affairs and to

138 provide consistency in weatherization services for all residential
139 energy consumers, the department shall coordinate weatherization
140 programs with any other weatherization programs approved by
141 law.

142 *Section 14.* The department shall adopt by rule a formula by
143 which the public utility shall charge all customers to recover:

144 (1) The cost to the utility of the services required to be provided
145 under subsections (1) and (2) of section 4;

146 (2) The interest or other carrying charges or a part thereof that
147 would normally be charged to those customers making payments
148 over a period of time for the services provided under subsection (3)
149 of section 4;

150 (3) Any bad debt costs, including casualty losses, attributable to
151 the services performed under section 4 or to the loan guarantees
152 required by paragraph (c) of subsection (2) of section 6; and

153 (4) The administrative costs of the residential energy conserva-
154 tion program described in section 4.

155 *Section 15.* The department shall approve:

156 (1) The weatherization services to be provided by the utility
157 pursuant to subsection (3) of section 4;

158 (2) The time periods for customer payment for weatherization
159 services under subsection (5) of section 4; and

160 (3) The interest rates to be charged for extended payments for
161 weatherization services pursuant to subsection (5) of section 4,
162 which the department finds shall act to conserve energy at a cost
163 less than the cost of energy from new energy sources.

