



**Comments of Northeast Energy Efficiency Partnerships (NEEP)
To the Joint Committee on Telecommunications, Utilities and Energy
Regarding Various Acts Pertaining to Energy Efficiency**

June 2, 2015

The Honorable Michael J. Rodrigues, Senate Chairman
Joint Committee on Revenue
State House Room 410 Boston, MA 02133

The Honorable Jay R. Kaufman, House Chairman
Joint Committee on Revenue
State House Room 410 Boston, MA 02133

Chairman Rodrigues, Chairman Kaufman, and Members of the Committee,

On behalf of Northeast Energy Efficiency Partnerships (NEEP),¹ thank you for the opportunity to provide comments on several of the bills before you today.

NEEP is a regional non-profit whose mission is to serve the Northeast and Mid-Atlantic to accelerate energy efficiency in the building sector through public policy, program strategies and education. Our vision is that the region will fully embrace energy efficiency as a cornerstone of sustainable energy policy to help achieve a cleaner environment and a more reliable and affordable energy system.

For the reasons elaborated on below, NEEP urges favorable reports on S. 1462, S. 1566, and H. 2545, and H. 2564. The bills NEEP supports pertain to the taxation of employer contributions to energy audits, energy efficient equipment and energy star appliances.

S. 1462- An Act Providing Home Energy Efficiency Audits as a Benefit of Employment

NEEP believes that the tax code can be a valuable tool, and should incentivize employers seeking to contribute to an energy audit of their employee's home. Energy audits are an important step toward lower utility bills, increased comfort, and a smaller carbon footprint. An energy audit can identify measures for immediate retrofit and help a homeowner plan for future upgrades. Furthermore, a building's thermal envelope has direct bearing on the comfort and productivity of building occupants. Encouraging employers to contribute to an energy audit of their employees' homes would provide broad benefits to the citizens of Massachusetts, and should be supported by the tax code.

S. 1566- An Act to Promote Reusable Energy Use in the Commonwealth

NEEP believes that a tax credit for energy efficient heating items as described in S. 1566 would be appropriate policy. Heating is a major component of building energy usage, and a tax credit directed toward items that can reduce energy usage associated with heating would provide benefits to all citizens of Massachusetts. This is particularly pertinent as our regional infrastructure faces price volatility associated with winter peak energy production. Items associated with home heating such

¹ These comments are offered by NEEP staff and do not necessarily represent the view of the NEEP Board of Directors, sponsors or partners.

as fuel efficient furnaces, boilers, and thermal envelope improvements can help minimize the impact of winter peak and associated pricing volatility.

H. 2545- An Act Relative to Promoting Energy Efficiency

NEEP believes that equipment purchased by municipalities and businesses for the purpose of reducing building energy usage should be exempt from taxation, as provided by H. 2545. Due to the size and average age of their building stock, local governments and businesses within the Commonwealth are well-positioned to implement money-saving retrofits, but often face high first-cost barriers. A tax exemption for equipment which reduces building energy usage would help overcome such barriers.

H. 2564- An Act Establishing an ENERGY STAR Sales Tax Holiday

NEEP believes that high efficiency products, such as those that meet ENERGY STAR standards, should be incentivized by the Massachusetts tax code. Appliances, consumer products, and their related plug loads are an increasingly large component of building energy usage. Since a sales tax holiday would bring saliency to the benefits of high efficiency products, as well as encourage consumers to purchase said products, NEEP supports this bill.

In Closing

We thank the Committee and bill sponsors for your many good efforts to harness the power of energy efficiency and clean energy in the Commonwealth, and thank you for the opportunity to provide these comments. Please do not hesitate to contact me or my NEEP colleagues with any questions regarding this testimony or other matters related to energy efficiency policies in Massachusetts or across the region.

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