March 31, 2026

Cost Reduction Lab
Program Launch Webinar

MASSACHUSETTS CLEAN ENERGY CENTER®

Team

Peter McPhee
Senior Program Director

Kelsey Read
Program Director

Carmiya Gale
Program Manager

Kellie Murphy
Program Manager

Pepper Schneekloth
Program Administrator

Agenda

- Presentation (30 minutes)
  - Overview (15 minutes)
  - Questions (15 minutes)
- Project Partnership Discussions (30 minutes)

Reducing Carbon Pollution: Where We Focus

TRANSPORTATION

38%

+

BUILDINGS

35%

+

ELECTRIC POWER

19%

=

92%

Statewide Gross Greenhouse Gas Emissions[1]

[1]Source: https://www.mass.gov/info-details/massachusetts-clean-energy-and-climate-metrics

Reducing Carbon Pollution: Impacting Markets

What We Target:

Fairer.
Equity and access

Faster.
Accelerating market adoption

Cleaner.
Smart electrification

Cheaper.
Affordable market solutions

How We Do It:

Pilot and Test.
New technologies and approaches

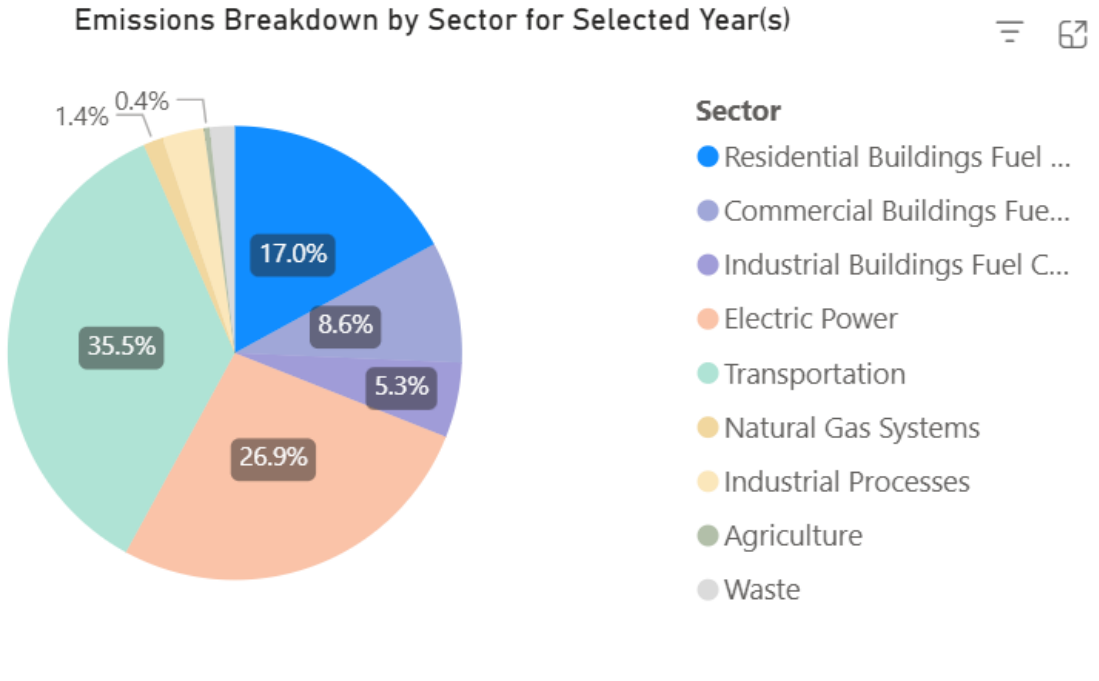
Advance Knowledge.
Market studies and analysis

Connect and Convene.
Build momentum and partnerships

Inform Policy.
Enable broader “scale-up”

Program Overview and Goals

- **Decarbonizing existing small residential (1-4 family) buildings** (2M+ households) necessitates a high volume of decision makers to execute a variety of costly actions.
- Demonstrate solutions to lower the cost of decarbonization, with a focus on **business models, market approaches, and technologies that can drive cost reductions**.
- Identify and publicly disseminate **open-source solutions** that are freely available for implementation and whose benefits are not limited due to their proprietary nature or status as intellectual property.
- **$2.5M total funding** available (up to $500K per grantee).



Eligible Applicants

- Open to applicants who will demonstrate cost savings of a decarbonization solution
- Lead applicants must have a headquarters location in the U.S.
- At least one entity responsible for securing demonstration sites
- Applicants may submit multiple project proposals

Scope of Work

- Problem Statement and Proposed Solution
- Cost Reduction Analysis
- Demonstration Plan and Project Site Readiness
- Adoption Pathway and Scalability
- Dissemination and Public Outputs

Example Problem Statements

Electrical Upgrade Triggers	Geothermal Cost Barriers	High Upfront Costs to Solar	Non-Standardized Heat Pump Installation	Lack of Project Coordination
Electrical upgrades required to decarbonize existing buildings can greatly increase project costs. Load management solutions can reduce the need for costly panel upgrades while enabling deployment and providing additional value to the grid.	Ground source heat pumps are one of the most efficient heating and cooling systems available. However, higher upfront costs are a significant barrier to scaling. Improved drilling tech, new business models, or financial innovation could reduce customer acquisition and deployment costs.	Costs associated with rooftop and canopy solar installations continue to present a significant barrier to widespread adoption. In particular, soft costs—including permitting, interconnection, and customer acquisition—are recognized as key contributors to the cost premium observed in Massachusetts and the broader United States, compared to many other countries. Implementing strategies to reduce these soft costs can enhance overall cost-effectiveness and facilitate greater adoption rates.	Customized design and installation methods for heat pumps contribute to significant cost variability and deployment inefficiencies. Employing standardized and streamlined processes can help lower overall deployment costs for heat pump systems.	Implementing home decarbonization measures in isolation can be expensive and does not capitalize on complementary or strategic opportunities. Business models that integrate related home improvement activities—such as reroofing, repainting, or A/C replacement—with decarbonization initiatives like roof insulation, wall insulation/air sealing, and heat pump installation, can reduce overall costs and maximize project savings through comprehensive and deliberate planning.

Example Project

- **Problem:** Reroofing and insulating at different times is inefficient
- **Solution:** Roofing contractor and insulation installer propose pitching enhanced insulation to customers planning to reroof
  - Savings on customer acquisition costs
  - Reduced extra roofing costs during roof insulation
  - Decreased overall costs and materials
  - Customer likely no longer needs to insulate from below the roof, which is more expensive.
  - Customer may no longer need to use blown in insulation
- **Demonstration:** Show other similar companies that this can work by testing approach with 50 homes
- **Adoption Pathway:** Detail results and how approach can be scaled
- **Dissemination:** Present to local organizations

Connect

- Webinar
- Slack
  - Join here to chat with other potential applicants
- MassCEC coordination
  - Email us at buildings@masscec.com with specific partnership questions and requests
- Office Hours
  - Sign up here to meet with MassCEC

How to Apply

- Applications must be submitted by Lead Applicants via our online **application form**
- Applicants must carefully review the Application Narrative section of the RFP

Timeline

PROCESS STEP	TIMING
Release of RFP	March 20, 2026
Informational Webinar	March 31, 2026 at 12 PM ET
Questions Due to MassCEC	Accepted through April 24, 2026
Questions with Answers Posted to Program Webpage	Posted on rolling basis through May 1, 2026
Proposals Due	May 8, 2026 at 11:59 PM ET
Interviews of Top Applicants (If Applicable)	Late May-Early June
Notification of Award	July 2026

Questions?

Break Out Rooms

- Topic areas
  - HVAC
  - Geothermal
  - Solar
  - Envelope

- Discussion questions
  - Who are you?
  - What brings you here?