



Memorandum

To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date 10 May 2013
Subject April Monthly Report

The Consultant Team is pleased to provide this update to the Council on our recent activities.

Highlights from the Advisory Groups

Planning & Analysis Advisory Group

- In lieu of an EEAC meeting in April (the April 9 meeting was canceled), worked with individual councilors and the PAs on the key tasks described below. Participated in the Executive Committee meeting on April 24.
- Reviewed the 2013 performance incentive metrics and the three-year metric calculation issues, and participated in the DPU Technical Session on performance incentive metrics on April 2.
- Based on the DPU Order in the DPU 11-120 Phase II proceeding (January 2013), regarding the regulatory review and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications, prepared initial thoughts on potential enhancements and improvements for energy efficiency program reporting. Met with DOER, Attorney General, and DEP to review and discuss reporting issues, future reporting needs, and the upcoming reporting streamlining working group in DPU 11-120.
- Met with the PAs on reporting issues, needs, and priorities related to the DPU 11-120 working group on reporting streamlining. Discussed several potential improvements that could be made to future reporting (including for the annual and quarterly reports) and to data management and data processing systems that support reporting on the EE programs and portfolio.
- With the input from councilors, worked with the PAs to identify improvements for the quarterly report template to be used for quarterly reports in 2013. Met with the PAs to design the revisions for the improved quarterly reports, including in the data file, the organization and management of the data, a pivot table to facilitate more efficient analysis and review of the data, the summary tables as outputs, and the summary charts. Reviewed drafts of the proposed revisions with the PAs. Also discussed improvements to the narrative portion of the quarterly reports, including highlighting progress on Council priorities and key action plans. The PAs worked on the implementation of the proposed

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revisions to the quarterly report template during April and early May, and the revised quarterly report template will be used for the 2013 Q1 report to be presented at the May 16 Council meeting.

- Met with the PAs for the quarterly PA/Consultant coordination meeting on April 5. Discussed and coordinated on priorities, plans, and issues to be addressed in early 2013, with significant focus on reporting streamlining, key priorities in the second quarter of 2013, and increasing the effectiveness of communications and coordination.
- Supported the design and development of the statewide database, as directed by the Council and the Council's statewide database subcommittee. Drafted the scope of work document insert to the Request for Responses (RFR) for a database consultant and facilitator. Consolidated Councilor redlines versions for a final SOW document. Participated in the statewide database Subcommittee meetings as assigned.
- Revised and communicated the consultant-prepared outline for an *interim* approach to data and data management, focused on improving effectiveness and efficiency, to ensure reliable and internally-consistent data in the interim while the statewide database is being developed. Reviewed the initial outline and approach at the March 27 Executive Committee, and discussed the suggestions with the PAs in April. The PAs are reviewing the outline and suggestions, we discussed the ideas with the PAs in early April, and the PAs will be responding with their thinking.
- Continued the analysis of the bill impacts associated with the final 2013-2015 Plan, based on the final values and surcharges included in the PA compliance filings in March. Analyzed incremental and total bill impacts for electric and gas customers.
- Continued work on the regional avoided costs study (also known as the Avoided Energy Supply Component or AESC study). Reviewed early plans and interim documents on the gas price forecast, energy forecast, capacity forecast, DRIPE, environmental compliance costs, and other tasks and issues in the avoided cost study based on the initial draft materials prepared by the consultant (Synapse). Participated in the study group conference calls to review and discuss the study topics and issues. This study is moving forward at a rapid pace, with multiple interim work products to be reviewed weekly. The initial results for the various components will be produced in late May and early June.
- Interacted with the PAs and the management committees in April to discuss and ensure the early and effective implementation of the key components of the 2013-2015 Three-Year Plan, including the key program enhancements, strategies, and action plans, in order to achieve the savings and benefits goals, maximize the use of best practices, serve all segments of MA customers, and support the Council's priorities, while also encouraging the cost-efficient use of ratepayer funding. Reviewed the action plans being developed and implemented by the PAs.
- Reviewed 2011 actual performance reported and performance incentives claimed as set forth in the 2011 Annual Reports, with a focus on the treatment of Non-Energy Impacts (NEIs) in the Plan vs. the Annual Reports. Discussed with DOER and Attorney General Staff.
- Provided support to the EEAC Executive Committee in meetings and through briefings and written materials on the statewide database, reporting changes, consultant expenditures, AESC study updates, and stakeholder input process.

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- Created a Consulting Team TRM Working Group to establish a charter, meeting schedule, timeline and needs for TRM updates and reporting for the 2013-2015 Three-year Plan.
- Reviewed/commented on PA revisions to the 2014 Plan TRM and 2012 Report TRMs, per the TRM schedule

C&I Advisory Group

- Held discussions with Nancy Seidman/DEP to understand needs and concerns with PA efforts with the Water/Wastewater segment. Began discussions with PAs to address.
- Researched best practices for Commercial Real Estate market to inform Commercial Real Estate Working Group and forthcoming PA roadmap. Developed presentation and presented to Commercial Real Estate Working Group. Organized follow-up webinar for Commercial Real Estate Working Group from Better Bricks, a Commercial Real Estate Initiative in the Pacific Northwest.
- Continued to define Best Practice Research topics and template to be presented to PAs in May.
- Continued to work with PAs to make a stronger connection and feedback loop between evaluation and implementation. Developed joint PA/Consultant Team presentation on findings from 2011 Customer Profile Study and presented to PA Implementation Managers. Also presented on upcoming 2013 evaluations and collected PA feedback to make evaluations more useful to implementation.
- Continued to work with PAs to support completion of Three-Year Plan Commitments and associated Action Plans. A status of key near-term plan commitments follows:
 - Process for Stakeholder Input by Q2 2013 – Complete
 - New Consistent Dedicated Approach to Municipalities – National Grid and NSTAR continue to work out issues in development of a consistent municipal model. Once finalized, the model will be considered for adoption by all PAs in Q2 2013.
 - Community Mobilization – PAs are working to design new community based delivery model that will target “Main Street” areas of municipalities. PAs continue to define the initial target communities and frame the initiative, and remain on track to implement the new model in Q4 2013.
 - Improved Financial Tools – PAs have developed a new spreadsheet financial tool to assist customers in evaluating efficiency investments. The new tool is in final review and the PAs are on track to complete the Pro Forma in Q2 2013.
 - Targeted Strategies for Wastewater Treatment Plants – Consultant team has engaged PAs and DEP to address this plan commitment to develop recommendations for a sustainable financial assistance model for the Water/Wastewater segment in Q2 2013.
 - Targeted Strategies for Grocery – PAs are in final stages of development of a new go-to-market strategy for the small to medium-sized grocery segment. The new offering combines targeted



messaging with bundled incentives to increase participation and depth of savings with the small and medium-sized grocery segment. The new offering will be implemented in Q2 2013.

- Upstream HVAC – PAs expanded the highly successful upstream lighting approach to HVAC equipment on April 1, 2013. The new upstream model is the first of its kind in the Eastern US and is expected to significantly increase participation and savings with commercial HVAC equipment.

Residential and Low Income Advisory Group

The Residential Advisory Group covered key program areas by engaging with several working groups and on several topics.

- **General:** Engaged the PAs on high level Residential Sector issues at the Residential Management Committee (RMC) meetings, and through individual communications with RMC members. Further developed best practices research areas for 2013. Performed national and regional best practice research in preparation for three papers on: the Lighting CFL to LED transition, Multifamily barriers, and What's New in the Industry. Reviewed and summarized current PA initiative-level reporting provided to Council Consultants. Determined overall lighting contribution to residential and low income sector savings portfolios: 59% for residential sector (86% when behavioral programs are excluded) and 63% for low income. Monitored PA progress on new initiative enhancements and action plans. Communicated and coordinated with the DOER Residential Team liaison regarding residential sector issues. Participated in weekly EEAC Consulting Team call, bi-weekly RES Advisory Group coordination calls, and TRM working group calls.
- **Lighting & Products:** Reviewed and provided high level comments on draft lighting Wave 3 Survey report. Continued to monitor proposed lighting market lift activities. Monitored continued progress of both regional (all homes) and MA-specific low income lighting hours of use studies. All loggers have been installed for regional study in MA and loggers are being/have been extracted from LI homes. Agreement to extend monitoring in MA and RI to fully capture summer peak period. Reviewed and commented on low income LED analysis. Research on new Cree and ETI SSL products; outreach to Cree.
- **HVAC:** Participated in NEEP HPWH call to discuss joint promotions with Sears and GE. Reviewed Vermont and Maine cold climate heat pump pilots/program criteria. Outreach to D&R International on availability of distributor sales data. Reviewed and commented on Cool Smart/HEHE net to gross, market effects and early retirement study. Participated in webinar on presentation of draft findings from market effects study of gas high efficiency heating and hot water equipment initiative. Reviewed GasNetworks/HEHE meeting agenda and minutes.
- **HES:** Reviewed and commented on Pre-weatherization pilot evaluation. Prepared notes on Residential Barriers Stakeholder meeting on the Efficient Neighborhoods+ initiative proposed design. Performed research on Clean Energy Center (CEC) community outreach activities to help inform the Efficient Neighborhoods+ outreach strategy. Communicated and coordinated with CEC personnel.
- **Multifamily:** Participated in consultant team Multifamily program planning call. Reviewed MIT multifamily pilot proposal for Cambridge. Performed multifamily barriers best practice research.



- **Low Income:** Participated in Low Income Best Practices and Low Income Multifamily working group meetings via phone. Reviewed all meeting materials. Reviewed low income 2012 metric performance.

Evaluation, Measurement & Verification Advisory Group

- **EM&V Implementation:** Moved toward the finish line approximately 30 2012-2013 studies in the implementation stage, including a variety of impact evaluations, market assessment studies, and process evaluations. Many of these studies are expected to be completed by June 2013. Worked with the PAs to pin down which are likely to be completed in time to be incorporated into the 2012 annual reports.
- **EM&V Reports:** Reviewed and/or finalized a number of reports, including: residential lighting consumer survey; prescriptive VSD impact evaluation; HEHE/Coolsmart NTG study; pre-weatherization pilot; residential lighting shelf stocking study; Efficient Neighborhoods targeting study; umbrella marketing topline report; interim results from a number of C&I impact studies; and CLC Lighting Controls Pilot.
- **EM&V Planning:** Scoped out several new studies agreed upon in the late-February C&I and Cross-Cutting evaluation planning meetings. Met twice with the new EMC strategic planning subcommittee to work on longer-term strategic planning issues raised at the same meetings. Laid the groundwork for an all-day Residential EM&V planning meeting to be held on May 14.
- **EM&V Policy Issues:** Worked with PAs and EEAC Consultant Residential Advisory Group to attempt to resolve issues regarding appropriate net-to-gross and baseline assumptions for residential TV and refrigerator incentives. Worked with PA evaluators to refine assumptions regarding the valuation of benefits from low-income participants avoiding the need to replace their refrigerators. Continued work with the PAs and EM&V contractors to analyze the issue of possible effects of Green Communities on NTG studies. Collaborated with EEAC Consultant Planning and Analysis Group to develop recommendations for DPU 11-120 process.
- **EM&V Contractor Recruitment:** Finalized the RFQ process for selection of a new contractor team for the Residential Research Area, with the selection of a large team led by Cadmus. Neared completion of negotiations for contract extensions with the existing contractor teams for the C&I and cross-cutting research areas.
- **Miscellaneous:** Worked with the EEAC Consultant Planning and Analysis, Residential and C&I Groups to refine the process for revising the TRM for the 2012 Report and 2014 Plan versions. Collaborated with PA evaluators to present recent C&I EM&V results and plans to the C&I MC. Through review of sample individual site reports from C&I impact evaluations, identified opportunities to improve feedback to PAs on ex-ante savings estimation process. In May and early June, we expect our biggest single focus to be on finalizing a large number of evaluations scheduled for near-term completion in order to be included in the 2012 annual reports. On May 14, we will hold a Residential EM&V planning meeting similar to those held for C&I and Cross-Cutting at the end of February. Last, we will continue to engage on projects that are in the planning stages, on in-progress projects that are scheduled to run into the Fall, and on ongoing EM&V policy issues.



Upcoming Activities

The sections below detail expected project efforts in the coming month. The calendar view of upcoming events has been discontinued.

Planning & Analysis Advisory Group

The Planning & Analysis group will undertake several tasks in the next few months:

- Pending higher-level decision on expectations for revising the 2014 Plan TRM, get PA agreement on schedule for 2014 Plan TRM revisions and review/comment on PA revisions to the 2014 Plan TRM and 2012 Report TRMs, per the TRM schedule.
- Continue meeting with the PAs to discuss and ensure the early and effective implementation of the key components of the 2013-2015 Three-Year Plan, including the key program enhancements, strategies, and action plans, in order to achieve the savings and benefits goals, maximize the use of best practices, serve all segments of MA customers, and support the Council's priorities, while also ensuring the cost-efficient use of ratepayer funding.
- Review, analyze, and comment on all interim work products and deliverables for the regional avoided costs study (the Avoided Energy Supply Component or AESC study) being conducted in 2013. Review the work products/deliverables and participate in study group conference calls on the study approach, interim work products, and draft deliverables. The initial results for the various components will be produced in late May and early June, and the study results are scheduled to be presented on June 21. This regional avoided cost study is the single most important analysis for the EE programs in MA, because it will impact the benefits and cost-effectiveness of all EE programs, electric and gas, for several years.
- Provide the EEAC Consultant analysis of the 2010-2012 results and preliminary year-end data summarizing the performance of the 2010-2012 EE programs, which was presented to the Council in March, to DPU staff, as an example of a high-level look back at the performance of the three-year plan programs.
- Review, analyze, and comment on the 2013 quarterly reports and the dashboard monthly reports and trends. In particular, review the 2013 Q1 report to be presented to the Council at the May 16 meeting. Also review the new template for the quarterly reports with the Council in May, and implement any additional revisions identified and directed by the Council.
- Support the design and development of the statewide database, as directed by the Council and the Council's statewide database subcommittee. Support the procurement of a database consultant and facilitator to assist in the design of the statewide database. Participate in the statewide database working group as assigned.

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- Work with the PAs to develop and implement a more effective and efficient *interim* approach to data and data management, to ensure reliable and internally-consistent data in the interim while the statewide database is being developed. Ensure/confirm that there is a complete set of accurate 08-50 data tables that are 100% consistent with the final DPU Order and compliance filings on the 2013-2015 Plan.
- Support the Council, as directed, in its review and analysis of the DPU NOI Phase II order and the EE Guidelines, regarding the regulatory review and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications. Participate in the DPU 11-120 reporting streamlining working group (first meeting on May 7), as directed by the Council.

C&I Advisory Group

The C&I Advisory Group will continue to support the implementation of the Plan. Specific areas of focus in coming months will include:

- Continuing to work with the PAs to support achievement of Three-Year Plan Commitments.
- Continuing to work with PAs, stakeholders, Council, and others to develop an integrated solution for utility-owned street lights.
- Continuing to work with PAs and DEP on Water/Wastewater strategy.
- Continuing to work with PAs to make a stronger connection and feedback loop between evaluation and implementation.
- Continuing to support the Commercial Real Estate Working Group and development of a PA roadmap to address the segment.
- Working with PAs to finalize plan for Best Practice areas of Research.

Residential and Low Income Advisory Group

The Residential Advisory Group will continue to work with the PAs on planning tasks and preparation activities toward the successful implementation of the 2013-2015 statewide plan.

- **General:** Work on integrating the new members of the consulting team into the stream of program issues and needs using our new expertise to refine best practice suggestions to the PAs. Continue program planning discussions with the PAs at the Residential Management Committee (RMC), including on monitoring progress on the key Three Year Plan implementation tasks, reviewing and summarizing current PA initiative-level reporting provided to Council consultants, and researching and drafting best practices papers on Lighting CFL to LED transition, Barriers in multifamily buildings, and What's New in the Industry. Continue to refine list and scope of next phase of best practice research, including on upstream residential HVAC, and continued progress toward deeper residential savings.

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● **Working groups:**

- Facilitate communications with HVAC and DHW program administrators in CT and RI to discuss possible coordination on HVAC and DHW upstream activities.
- Review lighting on-site socket saturation findings.
- Monitor progress of C&I HVAC upstream efforts.
- Monitor status of proposed court settlement that would negate May 2013 federal furnace standard. Work with PAs, DOER and others to determine appropriate program response.
- Assist DOER and others as requested to support possible state standards option if federal furnace standard is vacated.
- Monitor progress of regional residential lighting hours of use study.
- Prepare for and participate in Residential EM&V Planning Forum.

EM&V Advisory Group

- In May and early June, we expect our biggest single focus to be on finalizing a large number of evaluations scheduled for near-term completion in order to be included in the 2012 annual reports. On May 14, we will hold a Residential EM&V planning meeting similar to those held for C&I and Cross-Cutting at the end of February. Last, we will continue to engage on projects that are in the planning stages, on in-progress projects that are scheduled to run into the Fall, and on ongoing EM&V policy issues.

The calendar that has been part of this report has been discontinued.