

Massachusetts Energy Efficiency Advisory Council 2020 Priorities

January 12, 2020 –DRAFT

In 2020, the Energy Efficiency Advisory Council (“Council”) will (1) monitor implementation of the 2019-2021 Plan and will give special attention to the roll out of new initiatives and program enhancements expected during this year, and (2) initiate strategic planning for 2022-2024. The Council has set specific priorities for 2020 that support aggressive energy efficiency and demand reduction goals while ensuring goals are met equitably, cost-effectively, and in accordance with both the Green Communities Act¹ and An Act to Advance Clean Energy².

Additional priorities and focus areas may arise throughout the year, but the Council has set six key priorities for 2020. The Council requests that Program Administrators (“PAs”) provide four updates in 2020, tied to the quarterly reports, which will detail the progress made toward priorities one through five below. Priority six sets forth Council priorities and expectations for initiation of the 2022-2024 strategic planning process in 2020.

1. 2019 – 2021 Plan: Monitor and ensure progress toward 2019 – 2021 Three-Year Plan goals.

The Council recognizes that the 2019-2021 plan includes aggressive goals, the development of new program initiatives and enhancement of existing offerings, several of which were highlighted in the October 30, 2018 Council Resolution and the Council’s 2019 priorities. To ensure that the progress to, and achievement of, these commitments are met, the Council requests quarterly updates, including:

- Term sheet savings goals for electric and gas programs including the Residential, C&I and Low Income sectors
- Re-calculation of MMBtu savings goal for each electric PA’s energy efficiency plan, for review by the Council prior to DPU filing
- Integrated Residential Program Design and enhancements, including impacts of delivery enhancements on uptake of non-lighting measures and increasing percentage of residential savings from non-lighting measures
- C&I customer-centric enhancements, including lighting and controls, HVAC and controls, and process, including progress toward increased savings from non-lighting measures above 2019 levels and increasing the percentage of lighting projects that include controls towards a goal of 50% penetration
- Assessment of new program enhancements, clean energy sources, and technologies authorized by An Act to Advance Clean Energy and not included in the 2019-2021 Plan

2. Peak Demand Reduction: Ensure that new, active demand reduction programs are executed effectively statewide. Monitor progress of the expansion and focus on lowering demand at peak periods during both summer and winter.

The Council emphasizes the importance of the inclusion of active demand reduction programs in the 2019-2021 Three Year Plan and will work with the PAs to ensure timely and effective scaling of programs, goal achievement, and focus on winter reliability. In 2019, all PAs except Cape Light Compact launched new active demand offerings. In 2020, Council expects that all PAs will continue to offer and expand active demand reduction offerings in line with approved 2020 budgets and savings levels, including Cape Light Compact, pending DPU approval. The Council also expects that all electric PAs will file demonstration

¹ Chapter 169 of the Acts of 2008.

² Chapter 227 of the Acts of 2018.

results and request daily dispatch program approval from DPU. Additionally, in order to ensure program goal achievement in 2020, the Council will monitor and provide support, as needed, for Cape Light Compact and Eversource active demand MOU³ and the Daily Dispatch approval process. The Council requests quarterly updates on these efforts, including:

- Progress to reaching summer and winter Active Demand Reduction program goals
 - i. Demonstrated commitment to energy storage through regular progress updates to the Council
- Expansion of Daily Dispatch storage offerings to planned 2020 levels for all PAs and sectors
- Implementation of active demand reduction programs in Cape Light Compact territory pending DPU approval
- Winter reliability enhancements, including updates on the incorporation of peak reduction in winter, utilizing storage in winter, streetlight conversions
- Winter peak reduction benefits study, and assessment of next steps for DPU filing of winter benefits

3. 2019-2021 Plan – other new offerings: Work with Program Administrators and Consultant Team to ensure new program initiatives in the 2019-2021 Plan are executed effectively and in a timely manner.

In the first year of the 2019-2021 Plan, the Council supported the PAs in their efforts to both launch new initiatives and roll out enhancements to existing delivery models. Progress was made in 2019, including the launch of new residential air source heat pump incentives, high-rise Passive House incentives, and new C&I initiatives such as Strategic Energy Management (SEM) and Energy Savings and Performance Optimization (ESPO). However, some key initiatives have not fully launched including implementation of Energy Optimization and Home Energy Scorecards, both of which the Council expects to be fully launched in the first half of 2020. The Council requests quarterly updates on these efforts, specifically:

- Fuel switching, including tracking the number of customers displacing non-electric fuels by type of fuel displaced and fuel with which it is replaced
- Increasing air source heat pump installations in line with Term Sheet goals for all sectors
- Development and launch of the low-rise Passive House offering, and reporting on enrollment in all Passive House offerings including number of enrolled applicants, units completed, savings claimed and budget spent to date
- Integration of Home Energy Scorecards with the in-home energy assessment
- C&I Strategic Energy Management (SEM) roll out, including streamlining of evaluation of first cohort with a goal of broader program roll-out in 2021
- Energy Optimization:
 - i. New Construction (C&I and residential), including assessment of residential all-electric new construction packages and full roll out of non-residential program redesign
 - ii. C&I retrofit and small business roll-out, including assessment of fuel switching incentives for strategic electrification
 - iii. Residential and low-income roll-out of calculator, customer decision tree, auditor training, and heat pump contractor trainings

³ As submitted to the DPU for approval in docket DPU 18-116 on September 29, 2019.

4. Equitable customer participation and savings: Demonstrate equitable participation in energy efficiency programs through enhanced delivery models with a special focus on renters, moderate income, non-English speaking, and small business customers.

The Council recognizes that some customers are harder to reach than others, and that the PAs continue to develop strategies to bring the benefits of energy efficiency to these customers. During the 2020 program year, the Council will work with the PAs to monitor further enhancement of these delivery models and to ensure that the programs prioritize equitable access among customers, by providing quarterly updates on the following:

- Program enhancements for renters, moderate income, non-English speaking, and small business, including the new renter participation regular tracking and reporting
- Implementation of the moderate income offering, including incorporation of lessons learned from LEAN demonstrations and consideration of new enhanced incentives in moderate income, including heating system upgrades
- Implementation of actionable recommendations from the Low Income Process Evaluation, including rollout of software-based audits and assessment and implementation of new measures, including wifi thermostats, air-source heat pumps, and active demand offerings
- Implementation and impacts of municipal and community partnership strategy and non-profit partnership strategy
- Evaluation of results of targeted energy efficiency efforts in Lawrence, Andover and North Andover, including focused effort to improve participation in Lawrence in 2020

5. Data Management and Transparency: Monitor efforts to modernize data management practices across all PAs and sectors and enhance the accessibility of the data to the public.

The Council emphasizes the importance of maintaining accurate and transparent data which is accessible to the public. In 2019, the Council and the PAs initiated new Key Performance Indicator (KPI) tracking and reporting efforts. The Council requests that the PAs provide quarterly updates on the following:

- Continued quarterly and semi-annual reporting to the Council and timely posting of quarterly data on MassSaveData.com
- Reporting on participation and savings from renters and customers with limited English proficiency in line with DPU requirement in its 2019-2021 Order
- Refine Key Performance Indicator data to ensure accuracy and consistency between individual PAs and across quarters
- Timely EM&V by providing and reviewing customer and tracking databases promptly

6. Initiate Strategic Planning for 2022-2024.

In 2020, the Council recognizes the importance of commencing strategic planning discussions and activities to inform the 2022-2024 Three Year Planning process. Building off lessons learned from past Plans, the Council requests collaboration and transparency between the PAs, Council, and Consultant Team to build the foundation for a successful planning process beginning in 2020. In order to achieve this shared goal, the Council requests the following:

- Coordinated potential studies with drafts completed by December 2020, with input from Council Consultants throughout the process (procurement, study development, draft and final results)

- Full Council participation in stakeholder workshops beginning in Fall 2020, including PA and Consultant subject matter experts
- Collaboration between the Consultant Team and PAs on Council briefing documents in order to aim for consensus on important topics heading into the April 2021 draft plan
- Coordination between Consultants and PAs to assess the savings, budgets, and program impacts of lighting market transformation across all sectors
- Exploration of new savings opportunities and new measures aligned with An Act to Advance Clean Energy including natural gas demand response, expansion of strategic electrification, and incorporation of other clean energy technologies and programs
- Demonstrated commitment to planning for a future beyond residential lighting by evaluating impacts of 2019 program delivery enhancements, identifying additional program redesign, and initiating planning to develop residential program that emphasizes non-lighting measures and expands cost-effective benefits to customers.
- Demonstrated commitment to planning for a future beyond C&I lighting by taking a systems-based, comprehensive approach to include more design, operations and maintenance (O&M), controls and diversity of measures in the next phase of C&I programs in the Commonwealth
- Comprehensive approach to New Construction program design to support market transformation to net-zero, Passive House, electrification and demand flexibility in both residential and C&I new construction