DRAFT

December 04, 2013 EEAC Executive Committee Meeting Notes

Attendees: Christina Halfpenny (DOER), Matt Saunders (AG), Christina Dietrich (ENE), Rita Carvalho (LEAN), Paul Johnson (Greentek), Emmett Lyne (PAs), Lisa Shea (NU), Shaela Collins (PAs), Eric Belliveau (Consult), Steven Venezia (DOER), Lyn Huckabee (DOER), Alissa Whiteman (DOER), Lawrence Masland (DOER), Pat Colman (DOER), Marie Abdou (NGrid), Jeff Schlegel (Consult), Jerry Oppenheim (LEAN)

Agenda:

- Discussion of Consultant Proposals
- Strategic planning discussion for 2014 and for next EEIP

Consultant Proposals

- (Halfpenny) DOER only received one proposal for the EEAC consultant RFR. It was from Optimal. The EC has two options moving forward: work with the proposal to Optimal or try for another bid. She isn't sure what another round of bidding would accomplish.
- (Dietrich) Asked for an explanation of how changes were made to the Optimal team during the last contract. Halfpenny offered an explanation.
- (Saunders) Why were there fewer bids this time around?
- (Halfpenny) Suspects that the clause prohibiting bidders from having any PA contracts eliminated a lot of the pool of qualified applicants and there is an expectation that the work is hard to take from the incumbent vendor.
- (Saunders) If the EC can't overcome those barriers then there is no value in an additional round.
- (Dietrich) Agreed.
- (Carvalho) Elliot would agree.
- (Halfpenny) Expressed concern with discerning the value delivered through the monthly reports and by the invoices.
- [discussion ensues about various billing methods]
- (Halfpenny) Not as concerned with billing method as in demonstrating a valuable outcome. They tried to better define the discreet tasks expected of consultants in the 2014 RFR so hopefully it will be easier to communicate moving forward.

Strategic Planning Discussion

- (Halfpenny) We have a rare opportunity given the timing to assess what's next in energy efficiency – to pick up on the issues that have been outstanding for a while. We can determine our priorities for 2014 and take advantage of the time we have to ensure that

2015 planning year runs smoothly. The ultimate goal is to make 2015 planning year run more smoothly than 2012. The first thing they need to start thinking about planning is 2013 results or at least a projection of how well the PAs expect to do in 2013.

- (Lyne) The PAs are working on presenting 2013 projections at Tuesday's Council meeting. In general, Grid electric has some concerns but Grid gas and NU are both more confident, but he doesn't feel comfortable drawing broad conclusions without knowing for sure.
- (Halfpenny) Her concern is making sure that programs are both consistent and integrated, particularly in the C&I sector. Innovation is important but we also need to ensure that best practices are identified and deployed.
- (Lyne) Reminds us that there is a specific best practices study underway right now.
- (Belliveau) Would like to use the best practice study as a case study in how quickly the PAs can implement recommendations.
- (Masland) There is already a complete study of midsized C&I customers that measures how PAs treat customers differently. As a result, we already have data that will be of use to us.
- (Halfpenny) Reminds the group that the Council isn't in the business of program design but they do need to be sure that the design fits in to an overarching policy strategy. Essentially, the Council should focus on whether proven best practices are being implemented.
- (Belliveau) Asks how you decide what practice is "best?"
- (Lyne) Suggested that a core indicator of a "best" practice is whether the PAs are performing to goal.
- (Halfpenny) Countered by agreeing that performance is an important top level goal but that a best practice is about more than the top level, including customer feedback and recommendations found in EM&V studies.
- (Lyne) If customer frustrations are the root of this discussion, he wanted to ensure the PAs were aware of the issues and that the feedback loop in closed.
- (Halfpenny) Indicated that the PAs are aware of the issues but that the Council needs to better understand the progress on those issues. She clarified that the customer segments who have mounted organized appeals for more targeted services include municipalities, commercial real estate, healthcare, and manufacturing.
- (Belliveau) Points out that these groups won't be the last to have industry specific needs from the programs. He asked how the PAs and Council can institutionalize a process moving forward.
- (Halfpenny) Reminds the EC that the programs have enjoyed increased exposure because of honors like the ACEEE rating and that this should be an opportunity to improve the process for addressing customer needs because more customers are interested in participating.

EM&V

- (Halfpenny) There is a lot of great information in the EM&V studies. How do we ensure that these studies are being considered and adopted appropriately?
- (Lyne) Assures the group that the PAs look at EM&V studies and respond to them. They also add, via the annual reports, matrices tying recommendations to their action. In addition, the PAs have staff to liaise between EM&V and the working groups.
- (Schlegel) Communication has improved but uptake of the study recommendations is still lacking. How do we go about identifying when results are implemented?
- (Lyne) Cannot agree that the uptake/implementation is lagging but wants to ensure that they are operating as efficiently as possible. EM&V studies are coming in en masse right now. What is the best way to use them? This would be a good 2014 priority.
- (Halfpenny) Wants to extend the idea beyond asking how to use them and in to how do we show how they are used.
- (Belliveau) Wants to incorporate additional best practices beyond just EM&V studies. For example, the thinking happening in other regions.
- (Halfpenny) Council doesn't see the consultant best practices papers but they only see a line item in the reports saying that they wrote or presented the paper. They need to share their thoughts with the council somehow.
- (Belliveau) What is the right forum for this discussion? The management committees are focused on short term tactics and can't often focus on the long term thinking needed to implement best practices. He suggested building on the quarterly meetings with PA leads and consultant teams.
- (Lyne) Wanted to clarify that there isn't a heavy volume of best practices coming from the consultants and that, at least in the case of multifamily, that there was significant disagreement about whether the consultant recommendations were actually "best" practices. They need to understand when a best practice is really best. He also indicated that some of the issues they are dealing with aren't for the management committees to contemplate.
- (Johnson) Also suggested that the input of good ideas is tracked.
- (Halfpenny) Concerned about the volume of good ideas being generated too heavy to make a separate report practicable.
- (Lyne) Reminded the group that the annual report does include the running lists.
- (Saunders) Questioned whether the Executive Committee was the right forum to track progress on these suggestions.
- (Lyne) Although he doesn't want to commit without certainty, his gut sense is that the EC doesn't have the power to act here without the input of the Council.

- (Halfpenny) Questioned whether a subcommittee of the Council could at least preview the issues for planning purposes.
- (Lyne) Reminds the EC that the PAs appreciated the room to plan their programs with regular rather than constant feedback from the Council.
- (Venezia) Questioned what happens when there is a standoff between consultants and PAs.
- (Johnson) Agrees that the Council should, at the very least, know where the source of that conflict lies.
- [a discussion ensured about possible options for PAs demonstrating best practices feedback to the Council]
- (Saunders) Reminded the EC during this discussion that it wasn't the role of the Council to judge PA performance because the DPU was responsible.
- (Halfpenny) Added the administrative note that items 3,4,&5 of the recommendations document can be collapsed to answer the single question, "How do we see progress on program feedback?"
- (Belliveau) Reminded the EC of the stakeholder input session idea from Frank Gundal.
- (Lyne) The PAs plan to update on the unsolicited proposal process in December.
- (Johnson) Flow of ideas in to the program need to be simplified.
- (Halfpenny) Suggested that one way to simplify the flow of ideas is to disaggregate into specific topics so Councilors aren't overwhelmed by a long list of suggestions.
- (Belliveau) At least for EM&V, a summary of results and recommendations is now on the website.
- (Schlegel) Reminds the EC that the real issue is how they demonstrate progress and results.
- (Shea) Admitted that the larger PAs are doing more strategic, long-term thinking but that they aren't bringing that thinking to the management committees because the smaller PAs don't have the resources to share in those discussions.
- (Halfpenny) Wants to assure PAs that no one thinks that EM&V reports are collecting dust, they just need a better demonstrated link between the reported recommendation and PA action. This is essentially an issue of transparency related to customer feedback, best practices, and EM&V.
- (Belliveau) In addition, Grid and NU strategically plan, but they don't strategically plan together.
- (Johnson) Asks whether the EC will present a proposal to the Council to address the issue of transparency.
- (Halfpenny) Probably not because she wants to get input from the Council before making any recommendation. Thoughts by next Tuesday are unrealistic but, because Councilors want more opportunity for discussion, she will build time in to the agenda to discuss. She

also noted that the first task in the consultant RFR is strategic planning which should help to formalize this process.

Information Needed for Future Planning

- (Halfpenny) Doesn't expect a finite list but does want to solicit input from the Council. Should would like to see:
  - Program penetration information, including average savings parsed out among commercial sectors and average savings per participant across programs.
- (Abdou) Reminded the EC of the challenges inherent in this type of analysis
- (Halfpenny) Indicated that the analysis could exclude upstream programming or even make educated assumptions on the per participant impact of upstream.
- (Johnson) Would like to see lost opportunity analyzed.
- (Schlegel) Pointed out that the PAs and vendors have customer management software that could do some of this analysis without a formal evaluation. Analysis should be done via eval and tracking.
- (Masland) Would like to see "deeper savings" better defined. Is it program penetration? Saturation of measures? Savings/participant? Untapped or lost opportunity? Sector specific participation rates?
- (Schlegel) Wants to ensure that the database subcommittee is aware of these needs moving forward and adequately plans for them.
- (Lyne) Reminded the group that the small PAs are doing penetration studies and large PAs are in discussions to get involved.
- (Halfpenny) Is there a need for an independent review of the Mass implementation model to be paid by Council?
- (Lyne) Be careful to respect the boundaries between the Council and the Legislature. Also ask how much was reviewed by the EPRC.
- (Halfpenny) If the Council were to take on the task, the end goal would be to find efficiencies in the process.
- (Schlegel) They can do a process review via EM&V
- (Belliveau) Added that the Council needs to rethink their stance on performance metrics and key indicators.
- The meeting concluded where Halfpenny stated she would synthesize the discussion and re issue a discussion guide for the full Council.