



MEETING MINUTES

Tuesday, July 31, 2018
100 Cambridge St, 2nd Floor
Conference Rooms B & C
Boston, MA 02114

- Councilors Present:** Marie Abdou (for Jeremy Newberger), Cindy Arcate, Eric Beaton (for Chrystal Kornegay), Brian Beote (for Elliott Jacobson), Don Boecke (for Maura Healey), Jenifer Bosco (for Charlie Harak), Amy Boyd, Elizabeth Cellucci, Mary Downes (for Cindy Carroll), Maggie Downey, Paul Gromer, Frank Gundal (for Tilak Subrahmanian), Paul Johnson, Judith Judson, Richard Malmstrom, Deirdre Manning, Audrey Penna (for Michael Sommer), Laurie Pereira (for Trish Walker), Cammy Peterson (for Rebecca Davis), Victoria Rojo, Mary Wambui, Sharon Weber (for Martin Suuberg)
- Councilors Absent:** Michael Ferrante, Michael McDonagh, Andrew Newman, Robert Rio
- Consultants Present:** Eric Belliveau, Craig Johnson, Margie Lynch
- DOER Staff Present:** Rachel Evans, Ian Finlayson, Emily Powers, Maggie McCarey
-

1. Call to Order

McCarey, as Chair, called the meeting to order at 1:09 PM.

2. Public Comment

Emily Jones – Local Initiatives Support Corporation (LISC)

Jones, speaking on behalf of LISC, the Citizens' Housing and Planning Association (CHAPA), and the Massachusetts Association of Community Development Corporations (MACDC), offered support for behind the meter energy storage. She indicated that they support it as a cost-effective measure that can help lower electric bills in the affordable housing sector. She added that they provide a path forward to ensure that the multifamily affordable sector becomes more efficient and healthier in the future.

Todd Olinsky-Paul – Clean Energy Group

Olinsky-Paul noted that behind the meter storage was only slightly included in the draft plan. He shared an analysis that he put together using the methodologies and spreadsheets provided by the PAs that showed energy storage with a benefit-cost ratio of 2.8 for low-income and 3.4 for commercial. He noted that he sent his report and statements to the Council to be posted on its website.

Steve Cowell – E4TheFuture

Cowell noted that the state's legislature was going to be passing a bill that would change what could be included in the energy efficiency programs. He noted that it would allow inclusion of all clean technologies, energy storage, and renewables, in the MassSave programs. He concluded by noting that he would be happy to help with figuring out how to include those changes into the plan.

Michael Ferrante, Massachusetts Energy Marketers Association

Ferrante indicated that he was disappointed to see the inclusion of fuel switching to electric promoted in the draft plan. He noted that the industry believes that the Council should not be choosing winners and losers. He added that the industry has created its own rebate programs to update systems from older oil heat systems to newer and more efficient ones.

Amy Laura Cahn – Conservation Law Foundation

Cahn noted that it was appalling to see issues of transparency related to the lack of completeness of the draft plan. She also noted that potential studies and draft plans need to be completed as early as possible and that live spreadsheets and more data transparency are needed. She added that the public and the Council are unable to evaluate compliance with the Global Warming Solutions Act (GWSA) without those items. Cahn also thanked the Council for pushing equity and access for all and that she hoped that some of the performance incentive money would be tied directly towards those populations and households.

3. Council Updates and Business

May 9, 2018 EEAC Executive Committee Meeting Minutes

Boyd motioned to approve the minutes as submitted. Malmstrom seconded. All were in favor, with none opposed or abstaining. The minutes were approved as submitted by the Executive Committee.

May 16, 2018 EEAC Meeting Minutes

Manning motioned to approve the minutes as submitted. Peterson seconded. All were in favor, with none opposed or abstaining. The minutes were approved as submitted by the Council.

June 6, 2018 EEAC Executive Committee Meeting Minutes

Boecke noted that the minutes were incorrectly labeled as public comment minutes. The minutes were amended to reflect that they were for an Executive Committee.

Boecke motioned to approve the minutes as amended. Malmstrom seconded. All were in favor, with none opposed or abstaining. The minutes were approved as amended by the Executive Committee.

June 20, 2018 EEAC Meeting Minutes

Manning motioned to approve the minutes as submitted. Boyd seconded. All were in favor, with none opposed or abstaining. The minutes were approved as submitted by the Council.

July 11, 2018 EEAC Executive Committee Meeting Minutes

Boyd noted that the minutes had one instance where Councilor Harak's name was spelt incorrectly. The minutes were amended to correct the misspelling.

Boyd motioned to approve the minutes as amended. Boecke seconded. All were in favor, with none opposed or abstaining. The minutes were approved as amended by the Executive Committee.

July 19, 2018 Extraordinary EEAC Meeting Minutes

Boecke noted that the minutes had one instance where Joe Dorfler's name was spelt incorrectly. The minutes were amended to correct the misspelling.

Boyd requested that the word "surmised" be revised to "suggested" in the third sentence of the first paragraph in section 2 of the minutes. Boyd also requested that "your" be revised to "Johnson's" in the second paragraph of section 3d of the minutes. The minutes were amended to reflect Boyd's requests.

Boyd motioned to approve the minutes as amended. Weber seconded. All were in favor, with none opposed. Boecke abstained. The minutes were approved as amended by the Council.

EEAC Housekeeping Email

Evans noted that DOER sent an email to all voting members of the Council reminding them of the rules, bylaws, and open meeting laws associated with the Council. She noted that Councilors were required to confirm receipt of the email and asked them to do so.

National Grid Update

Jeremy Newberger introduced Chris Porter as the new director of energy efficiency for National Grid in Massachusetts. Newberger noted that it was an honor to serve in that role for National Grid. Porter noted that he was excited for the opportunity and that he was looking forward to working with the Council.

4. Update on the Global Warming Solutions Act Avoided Cost Study

Weber gave an update on the Global Warming Solutions Act (GWSA) addendum to the Avoided Energy Supply Cost (AESC) study. She indicated that it is moving forward and that additional components of the GWSA would include onshore and offshore wind, solar, and electric vehicle charging equipment. She added that electrification of the commuter rail network was considered, but ultimately not included given that it was not in the current framework of the GWSA. Weber

noted that the study was on track to have values in August so that the program administrators (PAs) would be able to incorporate them in their plans.

Finlayson thanked National Grid, Cape Light Compact, and Eversource for their participation and representation of the PAs on the study. He added that the consultant team (C-Team) would be working on getting definitive results and would share them at the August Council meeting.

Johnson asked what the impact of the update would be on the plans. Weber indicated that it would allow additional measures to pass the screening test.

Commissioner Judson noted that it would be expected that the additional analysis would factor into the PA's plans.

5. 2017 Year End Results

Tabitha Viglioti and Brandy Chambers, on behalf of the PAs, presented to the Council the 2017 Year End Results. Their presentation included a statewide overview of savings, benefits and spending, progress made towards the three-year term goals, and savings outlooks for the electric and gas portfolios with challenges moving forward.

Wambui noted that despite the LED market growths impact on the programs, there would still be savings opportunities for the PAs to continue their programs as is in 2019. She suggested that underserved markets would be a good place to get those savings.

McCarey asked if the PAs could break out the net-to-gross (NTG) impacts presented on slide eight into residential and commercial and industrial (C&I). Chambers indicated that she did not have the numbers with her but that she could provide an answer offline.

Belliveau noted that the C-Team would expect that the PAs should recoup some of the lost residential lighting savings through program redesign. He added that while saturation in lighting is increasing, there still is a lot of potential out there.

Johnson asked why the NTG for upstream water heaters in the gas program reduced from 85% to between 30% and 60%. Viglioti noted that the product has been in the market for a while now and they have noticed that consumers are purchasing them regardless of the PAs incentive. Chambers added that the upstream program has more participants but with less interaction which meant the product was subject to free ridership issues.

Boyd asked why the C&I savings were decreasing year over year. Chambers indicated that it was largely a result of less combined heat and power (CHP). Boyd asked if the graph on slide six could be regenerated without the effects of CHP.

Peterson asked why the PAs expected C&I screw-in lights to drop to zero. Chambers indicated that it was the combination of high socket saturations and EISA standards.

Commissioner Judson noted that the PAs presentation was meant to be focused on 2017 year-end results but that it instead seemed to be informing the Council that the programs would look worse in the future.

6. Key Drivers Update

Belliveau and Lynch of the C-Team gave an update to the Council on the key drivers process. The key drivers process included focused efforts on C&I lighting, C&I HVAC, C&I process, active demand management, residential retail lighting, CHP, residential and C&I heat pumps, residential program realignment, small business and non-profits, and low-income.

Belliveau noted that as part of the process the C-Team and the PAs have had many productive conversations with a lot of data having been exchanged. Belliveau noted, however, that the PAs had not provided the C-Team with new numbers and that the gap between the C-Team and the PAs could not be closed until such a time. Belliveau concluded by noting that conversations are on-going and that the key drivers process would conclude by August 12, 2018 at which point a summary of where gaps were closed and where they remain will be produced.

Council Discussion

Commissioner Judson stressed that the PAs and C-Team do everything possible to complete the key drivers process by the August 12th date, noting that it was critical for completing an understanding of where all parties are on the development of the three-year plan.

Wambui noted that the Council cannot plan without numbers. She noted that not having updated and reliable numbers communicates to the ratepayers the value that the PAs attach to them. She noted that she understood that the PAs were working hard on the plan and that it may not be their intent to send any kind of message to the ratepayers that they are not important, but that that is how it is perceived. Boyd agreed with Wambui's statement.

Boyd indicated that she was frustrated with the update, noting that there is a large gap between the C-Team and the PAs. She added that she was disappointed to hear that the PAs did not have updated numbers in several areas. Boyd noted that the PAs lack of certainty with the numbers makes it necessary for the Council to rely on the C-Team.

Abdou noted that conversations between the C-Team and the PAs has been productive. She added that the residential program redesign is not a small task and that the PAs want to ensure that they get it right and that they are actively working on it. Gundal added that the PAs are firmly being energy efficiency and noted that this plan is one of the most difficult they have had to put together since the GWSA.

Commissioner Judson noted that there is frustration from all parties and encouraged the C-Team and the PAs to work together on sharing assumptions and data freely. She reminded everyone that the goal is to get the most realistic and aggressive numbers into the plan.

7. EEAC Resolution on the April 30th Draft of the 2019-2021 Energy Efficiency Plan

Commissioner Judson thanked the drafting team for putting together and incorporating feedback into the resolution. She also thanked the Council and the PAs for submitting comments during the drafting process. She added that a lot of time and effort went into the resolution to make sure that it reflected the Council's feelings as much as possible.

Arcate, referencing the last sentence under the section about the Council's assessment of the draft plan under the Underserved Populations and Geographies section, asked if "*and organizations representing non-profits*" could be added after the word "municipalities". Boyd noted that she did not understand the point of the suggested edit. Arcate noted that she wanted to distinguish between a non-profit that is a customer and an organization that serves multiple non-profits. After some deliberation, the sentence was amended to add "*and non-profits (or organizations that represent non-profits)*".

Beote, referencing the section about the Council's assessment of the draft plan under the Low-Income Programs section, asked that the second sentence be amended to remove the word "co-delivery". The document was amended to reflect Beote's requests.

Beote asked that the second key indicator – "# of participants referred by LIHEAP" – be removed from the Low-Income Programs section. Oppenheim added that the key indicator is not a solution and would require a significant effort with little if any benefit. Cheryl Harrington noted that the PAs agreed with Beote's position. Wambui noted that it would be important to have a key indicator of some variety that would track participation. Ultimately, the key indicator was amended to read "# of customers on the low-income rate who have not participated".

Abdou noted that it would be difficult for the PAs to include the avoided costs from the GWSA AESC update in the next draft. She added that the study had not been finalized and that the PAs would need some time to collectively agree on how it would be modeled and included in the plan. Commissioner Judson indicated that she felt that was unacceptable, noting that the study's completion has been delayed on part of the PAs. Abdou noted that the PAs are not indicating that they would not include it in the plan, rather that it might just not make it into the next draft of the plan. Chambers added that for the PAs to include the numbers for the second draft, they would at least need the structure and format of the data by the first week of August. Commissioner Judson and Weber noted that they would work on getting the structure and format to the PAs in that timeframe.

Vote on Resolution

Boyd motioned to approve the Council's resolution regarding the April 30th Draft of the 2019-2021 Three-Year Energy Efficiency Plan. Manning seconded. Johnson opposed. All others were in favor, with none abstaining. The motion was approved by the Council.

8. Berkshire Gas Mid-Term Modification

Penna reviewed the Berkshire Gas Mid-Term Modification (MTM) with the Council. She noted that the request was for a decrease in their Residential Products and Low-Income Hard-to-Measure program budgets by \$680,000 and \$47,734 respectively. She noted that their forecasted underspend was a result of lower than planned demand for gas retrofit energy efficient products.

Belliveau noted that the C-Team felt that some of the issues could have been identified and addressed earlier. However, he noted that it would be important to approve the MTM given that delaying it any further would come at the detriment to the customers. He recommended that the Council approve the MTM.

Manning motioned to approve the Berkshire Gas MTM. Boyd seconded. All were in favor, with none opposed or abstaining. The motion to approve the Berkshire Gas MTM passed.

9. Adjournment

Commissioner Judson, as Chair, adjourned the meeting at 4:03 PM.