



## MEETING MINUTES

**Wednesday, February 15, 2017**

100 Cambridge St, 2<sup>nd</sup> Floor

Conference Rooms B & C

Boston, MA 02114

**Councilors Present:** Eric Beaton (for Chrystal Kornegay), Donald Boecke (for Maura Healey), Amy Boyd, Elizabeth Cellucci, Larry Chretien, Maggie Downey, Betsy Glynn, Paul Gromer, Paul Johnson, Judith Judson, Richard Malmstrom, Jeremy Newberger, Jerrold Oppenheim (for Elliott Jacobson), Thomas Palma (for Cindy Carroll), Laurie Pereira (for Trish Walker), Robert Rio, Lisa Shea (for Tilak Subrahmanian), Michael Sommer, Brad Swing (for Austin Blackmon), Sharon Weber (for Martin Suuberg)

**Councilors Absent:** Charles Harak, Michael Ferrante, Deirdre Manning, ISO-NE, Michael McDonagh, Andrew Newman

**Consultants Present:** Eric Belliveau, Jennifer Chiodo, Roo Harcourt, Craig Johnson, George Lawrence

**DOER Staff Present:** Alex Pollard, Matt Rusteika, Arah Schuur

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### 1. Call to Order

Commissioner Judson, as Chair, called the meeting to order at 1:10 PM.

### 2. Public Comment

Kate Galbo, on behalf of the Climate Action Business Association, gave public comment to the Council to identify some key issues that they would like to see addressed. She expressed a need for higher savings goals and participation rates for small and medium sized businesses, citing evidence that they do not receive the same attention that large customers receive. She added that the savings potential in the smallest business classes is high and that she did not think that the program administrators (PAs) could achieve all cost-effective energy efficiency without this group. She also noted that they are not pleased with the underspending in that sector and that they would like to see that issue addressed. Lastly, she noted that more comprehensive budget with an approach to take into account small businesses, and to provide more easily accessible information to small and medium customers to address the lack of program awareness.

Commissioner Judson thanked Gablo for her comments and indicated that the Council hoped to hear some feedback on some of those issues during the Council meeting.

### **3. Council Updates and Business**

#### *Status Update on Councilor Representation*

Commissioner Judson began by making an announcement regarding the status of a few Councilors. First, she announced that Eric Beaton had been named the permanent replacement for Alana Murphy, designee for Chrystal Kornegay, as the Councilor representing the Department of Housing and Community Development. Next, she indicated that Sharon Weber would be the interim replacement for Nancy Seidman, designee to Martin Suuberg, as the Councilor representing the Department of Environmental Protection. Lastly, Commissioner Judson noted that Eric Winkler was no longer working at ISO-NE and that they were working on finding a replacement for him.

Winkler noted that his role as a Councilor was a great privilege to him and that he looked forward to continued engagement at and with the Council.

#### *Meeting Minutes*

Commissioner Judson indicated that the approval of the minutes for the January EEAC and February Executive Committee would be postponed to the March EEAC meeting.

#### *Councilor Comments*

Rio noted that he had recently visited a couple large employers in Western Massachusetts and that they both spoke highly of the efficiency programs and their experiences working with Eversource on their projects.

### **4. Monthly Data Dashboard**

Brandy Chambers, on behalf of the PAs, presented the statewide data dashboard. The presentation included portfolio-level updates on lifetime savings, benefits, and spending for electric and gas as well as preliminary year-end achievements on participants, spending, and annual and lifetime savings by sector for both electric and gas.

Chambers noted that the PAs exceeded their goals for lifetime savings and benefits while underspending compared to budget at the portfolio level for both electric and gas. She also emphasized and explained the significant underperformance of the residential electric lifetime savings. She noted that it was a result of a recent DOE ruling being more stringent than the PAs had anticipated on some residential lighting measures.

Schuur asked if the DOE ruling only impacted the residential sector. Chambers indicated that it affects both the residential and commercial and industrial (C&I) sectors, but that the impact on the C&I sector was not as severe. She noted that the impact was also not as severe for the low-income sector. Swing commented that the date of the ruling was interesting in that it occurred just before the change in administrations. He asked if the new administration could revisit that ruling. Chambers indicated that the PAs were looking into that but that their initial feeling is that

the new administration would not be interested in challenging that ruling. Gromer asked if the ruling changes the actual savings of certain bulbs or just what the utilities can count. Chambers indicated that the physical lifetimes of the bulbs did not change, just what the PAs can claim as savings as a result of the ruling. Johnson asked why the PAs were surprised by the ruling. Chambers noted that the plan was developed over two years ago and that they were working with the best available data. She indicated that the PAs were aware of some changes that might have been coming, but not the magnitude of those changes.

Johnson asked what the driver for high C&I participants was. Chambers noted that it was mostly the result of a large participant per savings ratio in the PA's C&I upstream lighting offerings. Pollard asked how much of the C&I lighting savings came from the upstream offerings. Chambers indicated that she did not have that information readily available but that they could provide it at the next Council meeting.

Glynn asked what the savings results would have looked like if the PAs had spent up to their annual budget. Chambers noted that most of their underspending was in program planning and administration and that they were pretty close to budget on marketing. Commissioner Judson asked if the PAs could have moved budget around. Chambers indicated that they could have but that the implementation group would be best suited to answer that question. Marie Abdou added that the PAs would have shifted budget around if there were a demand for services, and that some of the underspending could be earmarked for items occurring in subsequent years of the three-year plan.

Commissioner Judson concluded the discussion by noting that the Council put a lot of focus on negotiating lifetime savings for the three-year plan. She noted that the PAs should still strive to hit that goal despite any unexpected impacts on the residential lighting sector. She encouraged the PAs to think about ways to address the underperformance on the lifetime savings goals.

## **5. Consultant Team Commercial and Industrial Update**

Pollard introduced this presentation by reviewing the C&I topics that had been covered in previous EEAC meetings.

Lawrence and Chiodo, on behalf of the consultant team (C-Team), gave a presentation on savings opportunities in the C&I sector. They provided an introduction of C&I savings and costs for electric and gas, and identified lighting, HVAC, CHP, and process as the key drivers of savings. For each of the key drivers, they highlighted trends and opportunities for savings in the future. They also noted barriers that apply to each of the identified end uses, and concluded that significant C&I savings remain.

### *Lighting*

Malmstrom asked if the linear LEDs referenced include fixtures. Chiodo replied that LED fixtures are not included in the lighting opportunities charts, and potential savings would increase with fixtures.

Johnson asked how much controlled fixtures would save compared to just replacement lamps. Chiodo indicated that it depends on the measure or project, but that lighting with controls typically achieves the highest savings. She also indicated that lighting with controls is the preferred method and acknowledged that that option would come with higher purchase and installation costs.

Boyd asked if it were possible to have lighting controls that maintenance staff could install. Lawrence indicated that there are LEDs on the market that can be controlled with a phone via Wi-Fi, but that the energy it takes for those bulbs to remain in standby can offset the potential savings for the control. He also noted that the scenario he described applies to residential and was not sure if a similar evaluation had been done for C&I.

### *HVAC*

Malmstrom asked if there are efficiency standards in place for packaged terminal air conditioners (PTACs). Chiodo indicated that there are standards but that she was unsure of what they were. She added that some utilities in New York were working with PTACs to do demand response. Kevin Morley of Eversource also noted that they look at those types of units on a custom basis for retrofit on a case-by-case basis.

Johnson asked why HVAC savings have been declining. Ezra McCarthy indicated that the decline has been a result of code impacts.

Weber and Boyd asked why it appeared that non-participants were adopting higher efficiency air conditioners than program participants. Chiodo indicated that upstream participants were included in the non-participant category in the study, and that that may be the reason. She also noted that there is a follow up study ongoing to look into that issue.

### *CHP*

Weber asked to see the impact of CHP on the gas side. McCarthy indicated that it would be counted as a negative gas benefit. Newberger added that there are no negative benefits at the system level.

### *Process*

Boyd asked what increased engagement of medium and small customers would look like. Lawrence indicated that Connecticut has explored that idea in a number of best practices round tables. He added that some ideas have included grouping customers by technology and improved training for small business contractors.

On the topic of training, Johnson asked about savings impacts associated with expanded building operator certification (BOC) offerings. Margaret Song indicated that the PAs are working on a variety of workforce development initiatives outside of or in addition to the BOC training. Nelson Medeiros added that Eversource is piloting an on-site customer training program that they feel could be successful. McCarthy also noted that BOC training sessions are offered and

that the PAs have sponsored and incentivized customers to go, but that they have not seen a significant uptake. He added that attendance might be low because facility managers are unable to attend all eight sessions of the training program.

Gromer asked for two key takeaways from the presentation. Lawrence said the first is that C&I programs will likely stay strong in foreseeable future, and second is that there is work to be done with respect to achieving savings opportunities.

## **6. Program Administrator Commercial and Industrial Update**

### *Statewide CHP Update*

Ezra McCarthy provided the Council with a CHP update for 2016. He noted that 2016 was a good year for CHP. In addition to summarizing completed savings, McCarthy also reviewed savings from projects under construction that are due for completion in 2017. Boyd asked if the PAs had a preliminary estimate of CHP savings compared to the three year term goal. McCarthy indicated that they are still looking to meet the goal. Pollard asked for more details about the weighted probability used to plan for CHP. McCarthy explained that CHP projects go through multiple phases, each presenting barriers. He added that the planned savings are weighted according to best probability of projects going forward to completion.

### *Customer Engagement*

Ezra McCarthy discussed segmented customer approaches based on different technologies and their relative size in portfolio. Nelson Medeiros presented three key players for energy efficiency – customers, program administrators, and external business partners. He noted that the PAs recognize the need to address needs of customer and external business partners. He also discussed how businesses are targeted based on their customer class as well as how the PAs use MOUs and other technological, strategic, and specialized approaches.

### *Digital Application Portal and Mass Save Updates*

Audrey Penna presented information about the PAs new Digital Application Portal (DAP). She noted that the DAP is a statewide effort to replace the existing paper-based system and that the PAs expect that it will result in increased program participation rates and customer satisfaction. She also highlighted the timeline and current progress for getting the DAP up and running. In addition to the DAP, Penna updated the Council on the status of updates to the C&I portion of the Mass Save website. She highlighted the new approach and features that the website would have and reviewed its timeline for completion.

Johnson asked what markets the PAs are going after and how they plan to achieve savings. He also asked about insights on where the PAs see remaining savings potential, and if they could address recommendations and challenges found in the recent studies. McCarthy replied that PAs are trying to affect all of those market areas called out in the Customer Profile Report, though they do not have the luxury of completing in-depth segment specific approaches. Medeiros added that the PAs would continue with what they proposed in the plan, which was proactive in identifying uniqueness in customers.

Boyd appreciated the DAP statewide effort and the Mass Save website redesign. She asked when DAP would be available and if it would be available to residential customers. Penna replied that the DAP is in the beta testing phase and that the PAs planned to roll it out in Q4 of 2017.

## **7. Adjournment**

Schuur, acting as Chair for Commissioner Judson, recognized the PAs for their achievements in 2016 and adjourned the meeting at 4:02 PM.