

1/30/2013 Massachusetts Energy Efficiency Advisory Council Executive Committee Minutes

Convened: 10:30 AM

Commenced: 12:15 PM

Attendees: Christina Halfpenny -DOER, Jeremy McDiarmid - ENE, Elliot Jacobson (via phone) - LEAN, Matt Saunders -AG, Emmett Lyne – PAs, Eric Belliveau – Consultants, Lisa Shea, Christina Deitrich, Shaela Collins, Lyn Huckabee, Steve Venezia

Minutes:

Consultant Workplan

- Belliveau presented the 1/29 revised workplan, including a comparison of the previous costs to the newly proposed costs. He explained that the goal was to find reductions that made sense. It reflects less data review, shifting the burden of making corrections to the PAs. It also reflects reduced but not eliminated working group participation.
- McDiarmid discussed a 2012 vs. 2013 comparison based on ENE calculations but Belliveau couldn't comment on the analysis without more time to preview.
- Halfpenny clarified how the Council's priorities of database discussions, avoided cost working group, and C&I working group should be favored in the workplan. She also noted that if spending is critical for PA plans, it should also be critical for consultant plans.
- Saunders thought there was more room to eke dollars out of the budget. He proposed getting it down to \$1.4M and providing monthly budgets v. actuals so we can track progress.
- Discussion ensued about the activity expected of the consultants, including work on the PA plans (deemphasized in 2013), annual reports, interim reports, Council report to the legislature, analysis relating to the Clean Energy and Climate Plan. There are also areas of uncertainty, like the impacts of the 11-120 D.P.U. order, evaluation results, and processing the furnace standard waiver rejection.
- McDiarmid suggested that the appropriate target for a bottom line total is closer to \$1.45M, particularly if the Council systematizes the review of consultant bills on a monthly or quarterly basis.
- Halfpenny was not comfortable speculating about a particular number. She suggested that instead, they look specifically at what tasks and hours can be rethought.
- Belliveau reminded the EC that the Consultants are resolute about not exceeding their budget.
- Jacobson was comfortable with McDiarmid's estimate
- It was agreed that, regardless of the decision, the EC must present the Council with a recommended budget by the 2/12 EEAC meeting. As a result, they arrived at the compromise number of \$1.45M and decided to move forward.
- Halfpenny specified that, in order for this strategy to work, they would need more information on what was cut in order to make a comparison, agreement to track expenses on a regular basis, and commitment to work together about spending increases in the future.

- A discussion ensued about specific tasks. The EC agreed that time could be cut from the residential budget and that time could be moved from one budget to another in the event of a specific overrun.
- Shea added that she was confident that PA data quality will continue to improve because they have more experience with the processes. This should help the consultants streamline their data review
- McDiarmid suggested scheduling an additional EC meeting where they could review the budget changes before the February Council meeting. The EC decided on 2/5 at 11am.
- Belliveau agreed to make cuts for the 5th from the P&A line items, but not from EM&V. The minutes could be done by a more junior team member.

Council Priorities

- The priorities document was circulated prior to the meeting. Halfpenny noted the DOER, AG, and ENE all submitted comments.
- Lyne requested that the document better align with the statutory language. He also asked that the line between EEAC goal setting and PA implementation be made brighter.
- Halfpenny countered that the Councilors need a certain level of responsibility for the results of the plan. This would be more challenging if that line was too bright.
- McDiarmid volunteered to take a look at the language and add context to the priorities that he hoped would address the varying concerns.
- McDiarmid wanted that language on #1 to be stronger. After some discussion, it was agreed to keep the reference to 100%, start the bullet with “achieve,” and drop the word “foundations.”
- Lyne requested the EC to consider CLC when crafting language about differences in service territories. EC members wanted to ensure that there was an appropriately high bar for justifying differences between service territories. Saunders asked that bullet point 3 be incorporated in to bullet point 2 using parentheses. Halfpenny asked that health care be stricken from the 1st bullet because it is not a landlord/tenant issue.
- Lyne asked that the word “efficient” be added after the word “reliable” to better reflect DPU language.
- Everyone is OK with the language as proposed.
- Saunders suggested adding something about Avoided Energy Supply Cost to the list. Jeff Schlegel suggested language that the EC needs to read and agree to. Halfpenny noted that this point needs its own bullet. McDiarmid will work on the language and circulate before the next meeting.

February Meeting Agenda

- Halfpenny presented her preliminary assessment of needed agenda items which included Council priorities, performance metric resolutions, consultant budget, and preliminary results for 2012. \$512k remains from last year’s Council budget remains. We will not be able to project costs for the database until the consultant has done the work. Most of the costs of building the database will be born in 2014.

- Lyne added that the PAs are working on the Q4 2012 results and that the Council should be aware of the M&V forum.
- Halfpenny noted that the updates would include DPU activities, Avoided Cost Study, efforts defining a participant
- Halfpenny mentioned that Siedman (not at EC meeting) requested a presentation on DOER labeling pilots. This doesn't need to be in February but, if there is room, we can try.

Performance Metrics (PM)

- McDiarmid acknowledged that not everyone is on the same page but noted that ENE supports the metrics as filed. The DPU has agreed to evaluate the PM agreement after it has reviewed the rest of the plan. The Council needs to draft a resolution indicating to the DPU that it supports the PM doc as filed, even if the Council is not unanimous.
- McDiarmid will advance the PM document to the full council with the proposed edits after the next EC meeting.
- Halfpenny and Saunders directed the consultants to create a presentation for the full council about the agreed to PM document.

Quick Update – Furnace Standard Waiver Application

- Belliveau indicated that the number of participants and the savings/unit may go up in the light of the DOE rejection of the Massachusetts waiver request.
- Lyne volunteered the RMC to determine the impact of the DOE action. He assured the EC that there was no plan to reduce the target efficiency of incented products.
- Halfpenny resolved that she won't update the full Council until DOE officially announces their rejection of the application.