

7/18/2012 Massachusetts Energy Efficiency Advisory Council Executive Committee Minutes

Convened: 10:05 AM

Commenced: 12:00 PM

Attendees: Christina Halfpenny, Mark Sylvia, Elliott Jacobson, Jeremy McDiarmid, Shaela Collins, Lynn Westerlind, Emily Norton, Matthew Saunders, Lisa Shea, Emmett Lyne, Debra Hall, Steve Venezia, Eric Belliveau, and Kathryn O'Rourke.

Minutes:

- **General Updates:** Halfpenny began by letting attendees know that Monday's EEAC agenda with consist of 1) Resolution, 2) Performance Incentive (PI), and 3) General Housekeeping (i.e. data dashboard). McDiarmid commented that it sounds like a good agenda and the fewer items the better. The August EEAC Meeting is Friday, August 10th, 1-4 pm.
- **Bill Impacts (BIs):** Halfpenny asked where the DPU was with Bill Impacts. Westerlind stated she was unsure, but the working group is reconvening and the PAs have brought it as far as they can. Halfpenny wanted to know if there was any way to see the BIs of large C&I customer, and Westerlind said she could probably get a couple of examples. Halfpenny wondered if the DPU needed to hear from the Council that there needed to be movement, and Sylvia suggested that they take it off-line.
- **Resolution:**
 - Halfpenny stated that she anticipates the resolution will be a heavy document, and that the hopes are to keep it high-level, but where it's going it will have to get more detailed and spend a good deal of time on it – while also keeping in mind this is a \$2 billion budget. Halfpenny asked for thoughts on how to avoid a long red-lining session at the Council Meeting. Jacobson also said he would like to avoid a long red-lining session, and leans towards keeping the Resolution as high-level as possible. McDiarmid stated that the Resolution is an opportunity to provide direction and feedback on what's good and what the Council would like to see in October. The 2009 Resolution, while long, provides a good path, and idea should be constructive but clear.
 - Halfpenny said discussions are still around costs and savings, but wanted to know when the discussions around statewide consistencies are going to begin. Hall added that she wants the money spent efficiently to achieve maximum savings. Saunders stated he wants to see the costs kept in check, likes the high BCRs, and wants to see more transparency behind the numbers. McDiarmid said he doesn't think anyone advocates bringing the BCRS down to 1, but it bring up the question of whether the programs are capturing all cost-effective energy efficiency. Halfpenny stated that it important that the programs are sustainable, and that once the low-hanging fruit is dried up it will be very expensive to go back. Belliveau added that it's important the BCRs are sustainable and should be somewhere between where they are and 1.
 - Sylvia stated that the Resolution should have some high-level details embedded with more details, and costs seem to continually be an issue. Lyne said that he doesn't think the issue is giving more detail, its more analyzing and making sense of it. McDiarmid added that the information has to be there to analyze it. Lyne stated that we all want the costs as low as possible, but also want realistic numbers. The PAs have a good idea with the track record and they need to act on it.
 - Jacobson stated that people needed to keep in mind that two of the PAs make up roughly 90% of the state. Shea said that one some of the program inconsistencies are cleaned up, some of the numbers will be more in line. Lyne added that some of these cost variances won't be eliminated. Halfpenny stated the Council needs more insight into what a participant consists of, and trying to look at unique participants and not the number of widgets. Lyne said PAs went program by program to look at the best way to look at unique participants.

- McDiarmid stated that the Clean Energy and Climate Plan (CECP) and savings targets dovetail and are as consistent as possible. Sylvia said that that direction should be put in into the Resolution, and he's also interested to hear what the Councilors priorities are.
- McDiarmid stated that some of his goals are savings and CECP, identify where continued alignment needs to occur, cost – identify areas for cost efficiencies, deeper savings, continued integration between electric and gas, pre-weatherization, continued support of HTR/HTS. Halfpenny said she would like to see more quantitative information on costs, benefits are impressive but better understand whether BCRS are an indicator of deeper savings, more alignment with CECP, some indication of stretch targets, spending – cost go down, incentive make up 65-70% of program budgets – are the elevated incentive needed, statewide consistency/branding, review PI model.
- Hall asked how to address under-spending in the PI, and McDiarmid asked what exactly should be put in the Resolution about PI. Halfpenny suggested we say review Threshold, Design, and Exemplary; and optimize and calibrate the 3 mechanism (savings, value, and performance metrics). Lyne stated the PAs would like to get rid of the performance metrics all together, but they heard from the Consultant team that was a non-starter.
- Hall stated her priorities were continued integration of gas and electric programs, likes the new integration of the municipal initiative and neighborhood +, ambitious goals, and would like the costs explained with more details. Jacobson said he's onboard with what has been said, and that he's a big supporter of PIs and being able to adjust expectations. Saunders listed his priorities as BCRS – relationship with deeper savings, savings goals and CECP, can we get scenarios from PA on what it would take to reach the Consultant savings targets, Efficient Neighborhood +, Avoided Cost Study – does it affect anything.
- Halfpenny asked when the Council can expect updated 08-50 tables, budgets and savings. Lyne replied September 6th. Halfpenny then asked if Councilors will be able to see breakout of the residential programs. Lyne said yes and there will an October version which will include fine tuning.