Massachusetts Energy Efficiency Advisory Council
Meeting Minutes (DRAFT)
Tuesday, February 14, 2012

Councilors Present:

<table>
<thead>
<tr>
<th>Voting</th>
<th>Present (designee)</th>
<th>Non-Voting</th>
<th>Present (designee)</th>
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<tbody>
<tr>
<td>James Colman</td>
<td>Nancy Seidman</td>
<td>Elizabeth Cellucci</td>
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<td>Martha Coakley</td>
<td>Danielle Rathbun</td>
<td>James Carey</td>
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<td>Penn Loh</td>
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<td>Penni Conner</td>
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<td>Mark Sylvia</td>
<td>Tina Halfpenny</td>
<td>Alisha Frazee</td>
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<td>Debra Hall</td>
<td>X</td>
<td>Kevin Galligan</td>
<td>Maggie Downey</td>
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<td>Charles Harak</td>
<td>X</td>
<td>George Gantz</td>
<td>Tom Palma</td>
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<tr>
<td>Elliot Jacobson</td>
<td>X</td>
<td>John Ghiloni</td>
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<td>Jeremy McDiarmid</td>
<td>X</td>
<td>Paul Gromer</td>
<td>Arrived at 2:40pm</td>
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<td>Rick Mattila</td>
<td>X</td>
<td>Andrew Newman</td>
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<td>Robert Rio</td>
<td>X</td>
<td>Richard Oswald</td>
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<td>Deirdre Manning</td>
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<td>Michael Sommer</td>
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<td>Carol White</td>
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DOER: Tina Halfpenny
Consultants: Jeff Schlegel, Eric Belliveau, John Livermore

Present:
Sue Kaplan       Mike Sherman       Frank Gundal
Natalie Hildt    Jeff Pollack      David Givens
Lisa Shea        Tom Regh          David Givens
Rob Calnan       David Minasian    Emmett Lyne
Jeff Pollack     Others

I. Public Comment
Halfpenny convened the meeting at 2:06pm and began the public comment period. Tom Regh spoke on his concerns about the HES program. He noted that MA is #1 in the ACEEE ranking, but that the HES program still needs improving, and that he is bringing this message to the legislature. Rob Calnan spoke on his concerns about the number of participating HES contractors and on the wait time for customers. David Minasian spoke in support of the PAs addressing pre-weatherization and considering tiered incentives in the HES program. He noted that HTR/HTS communities will invest $135 million over three years in SBC funding, and that they comprise 25% of statewide residential energy usage.

II. General Updates
Halfpenny noted that the Council now needs to approve meeting minutes from the previous meeting. Mattila motioned, Hall seconded. Sideman noted the edit that Sharon had attended the January meeting in her place. Diarmid motioned for a vote, Rathbun seconded. Council voted and unanimously approved minutes.
Halfpenny gave a brief overview of the last Executive Committee meeting. Rathbun motioned for a vote to approve the meeting notes; Diarmid seconded. Council voted and unanimously approved minutes.

Halfpenny noted that there were a lot of very insightful comments from stakeholder and interested parties at the Council’s January public comment meeting. She asked if there were any follow-up thoughts from the Council. White mentioned that the PAs have joined together to host an event, to be facilitated by David Cooperrider, to gather additional public input for the 3-year plan. She noted that the 2-day event will be in May, and invitations to the 300 expected participants will go to the Council, energy efficiency experts, PAs’ contractors, environmental advocates, and others. White noted that the ideas generated will inform the 3-Year plans.

Halfpenny explained that a lot of Councilors have asked about the 2012 planning timeline for the next 3-Year plans. She noted that Lyne sent out a 15-page Critical Path document, and that Schlegel created a 1-page summary document. Schlegel reviewed the summary task timetable for the Council. Halfpenny noted that it will be important to decide what goes into the April draft of the 3-Year Plan and what does not. Lyne indicated that the PAs have done a parse of the GCA to make sure each of the statutes is addressed in the draft Plan. He noted that the April draft won’t have full 08-50 tables or full program write-ups.

III. Council Consultant Work Plan / Contract Resolution

Halfpenny thanked the Councilors for reviewing all of the materials distributed prior to the meeting, and she thanked the PAs and consultants for putting together all of the information. She gave the Council an update on the consultant work plan, and explained that the Executive Committee had performed a review and had worked through all of their questions. Halfpenny noted that the Executive Committee has recommended to approve the consultant work plan and budget ($1.55 million), and to approve DOER to execute the contract. Rathbun motioned for a vote, Jacobson seconded. Council voted and approved unanimously.

IV. Council Priorities / Priorities Resolution

Halfpenny presented the Council Priorities document for discussion. Several minor changes were suggested, and edits were made in real-time and projected on the screen. Diarmid motioned for a vote, Rio seconded. The Council voted and unanimously approved. Rathbun asked what the process is to communicate with the RMC and C&I management group if people hear about customer confusion or problems. Belliveau asked that feedback be forwarded to him for coordination with sector leads, Livermore and Arnold. Halfpenny noted that any feedback should also be communicated to the Executive Committee. Hall asked how program changes are tracked in response to customer/stakeholder feedback. She also asked about any data on differences in HES customer experiences and energy savings between customers served by home performance contractors and those served by lead vendors and IICs. Halfpenny indicated a desire to switch to assessment activity, which will help to answer Hall’s questions.
Schlegel indicated that the consultants will pull information from some of the EM&V studies to provide some perspective.

V. Update on DPU Notice of Investigation (NOI)
Schlegel explained that DPU has issued notice asking to explore two aspects of the guidelines: determining net savings, and carbon compliance costs. He noted that the consultants did a memo and webinar on these topics, and that many comments were submitted to the DPU at the end of January. He explained that the DPU issued a second notice requesting follow-up comments by Feb 27th on Carbon Compliance, and that it’s up to the Council to decide if there’s anything they want to do. Diarmid indicated that the DPU is interested in hearing from the Council on this, and suggested that the Council could do a resolution. Halfpenny suggested that the Executive Committee could explore this on February 27th.

VI. Updates on Market and Economic Assessment Activities
Jeff Pollack and David Givens presented a slide set on the Point 380 market assessment study. Pollack noted that the assessment is a relative market opportunity analysis as opposed to a potential study. He explained that the study looked at market segmentation in Massachusetts, based on energy usage and customer size, and confirms that there are large opportunities over the next 3 years. Pollack pointed out that offices represent a large savings opportunity in the commercial sector (electric: 38%; gas: 55%), while the healthcare sector is 15.5% of the total electric opportunity. He noted that lighting is about 68% of total commercial sector electric savings; HVAC about 23%. Givens explained that in the industrial sector the biggest opportunities are in industrial machinery: compressed air and lighting. In the residential sector, Givens noted, the two biggest electric users are lighting (46.5%) and refrigeration (27.2%), while the two largest gas users are envelope (51.4%) and HVAC (44.1%). Conner emphasized that the assessment is not intended to be a technical potential study, but rather it helps to inform how best to market to customers. Rathbun asked how the assessment will be used by the residential sector. Givens suggested that the residential assessment would benefit from a ‘behavioral segmentation.’

Halfpenny said that we’re also pulling information from other sources, including the Economic Assessment study being performed by Synapse. She noted that Synapse is hoping to have interview information back by March 6th. She commented that Synapse found a lot of potential in commercial properties, and that they are working to integrate some of the Green Ribbon Commission findings. Halfpenny expressed thanks to Rio and Mattila for their help with this.

Halfpenny reminded the Council that the consultants are combing through evaluation studies to pull out major findings to help inform the 3-Year Plan.

VII. Preliminary Year-End 2011 and Q4 reports – qualitative and quantitative
Shea presented a slide set updating the Council on the year-end 2011 Statewide overview. She noted that the numbers are preliminary and subject to adjustments based on EM&V results. Shea noted that overall electric savings and benefits are very close to 2 year
goals, with lifetime savings slightly over 100%; overall gas savings and benefits landing around 80% of goal. Portfolio summary:

Electric
Lifetime savings - 101%
Annual savings - 91%
Benefits - 90%
Spending - 67% [largely lower in C&I sector – re: large CHP projects]

Gas
Lifetime savings - 81%
Annual Savings – 84%
Benefits – 77%
Spending – 92%

Jacobson explained that LEAN spent over $100 million in 2011 ($40 million in PA funding), and that the charts are not telling the whole story. He noted that LEAN really served 3 times as many people, but paid for it largely with ARRA funding. Shea pointed out the big negative benefits for C&I because CHP delivers negative benefits. Otherwise, she noted, there are lots of good customer benefits – close to 100% of goal. Oswald explained that PAs exceeded some of the new construction goals in 2011. He noted that over 340,000 LED lamps went into projects during the year.

Halfpenny asked the Council to take a moment to reflect on all the work that’s been accomplished over the past 2 years. She noted the impressive success, and commented that we’re still learning.

Schlegel commented on the significant increase in goals in 2011, and the further increase in 2012 (Electric - 2010: 1.4%, 2011: 2.0%, 2012: 2.4%). He noted the very impressive achievement, with big goals, and suggested that everybody deserves quite a bit of appreciation for the commitment and delivery. Loh expressed curiosity about how to assess if we have the right infrastructure for next 3 years. He suggested it would be beneficial to have some self-awareness about where we are on the learning curve of developing a sustainable infrastructure for planning and delivery.

VIII. Monthly Consultant report
Belliveau briefly commented on the January consultant report, and noted a minor edit: C&I working group is meeting the week of February 20th. He noted that the main focus is on getting to April 30th: strategic thought at the sector level, and coming to agreement on key issues in the planning process. Belliveau pointed out the addition of the event calendar, and asked the Council to provide any comments. Diarmid noted that the calendar is a welcome addition to the report.

IX. Halfpenny thanked everyone and moved to adjourn the meeting at 5:00 pm.