

Massachusetts Energy Efficiency Advisory Council
Meeting Minutes
Tuesday March 10, 2015

Councilors Present:

Voting	Present (designee)	Non-Voting	Present (designee)
Austin Blackmon	Brad Swing	James Carey	X
Amy Boyd	X	Cindy Carrol	X
Larry Chretien	X	Elizabeth Cellucci	X
Maura Healey	Donald Boecke	Maggie Downey	X
Betsy Glynn	X	Michael Ferrante	
Charles Harak		Paul Gromer	X
Elliott Jacobson	X	Andrew Newman	X
Paul Johnson	X	Michael Sommer	X
Chrystal Kornegay	Alana Murphy	Tilak Subrahmanian	Frank Gundal
Dan Burgess	X	Carol White	X
Richard Malmstrom	X	Eric Winkler	X
Deirdre Manning			
Michael McDonagh	X		
Robert Rio	X		
Martin Suuberg	Sharon Weber		

Consultants: Eric Belliveau, Jeff Schlegel, Margie Lynch, Craig Johnson
DOER: Ian Finlayson, Steve Venezia, Alex Pollard

Present:

Marie Abdou	Riley Hastings	Cara Mottola
Scott Albert	Lyn Huckabee	Matthew Nelson
JoAnn Bodemer	Jeff Leupold	Alex Papali
Derek Buchler	Sam Levine	Aimee Powelka
Shaela Collins	Paul Lipke	Lisa Shea
Philip Dilts	Chris Long	Jennifer Turnbull-Houde
Kim Dragoo	Emmett Lyne	Amy Vavak
David Gershaw	Maggie McCarey	Mike Wallerstein
Jonathan Goldberg	Steve Menges	Jayden Wilson
Jack Habib	Sam Milts	Andy Zucker
Jodi Hanover		

Burgess called the meeting to order at 1:07 pm and welcomed everybody.

Public Comment:

David Gershaw (RemPhos Technologies) introduced his company and highlighted the positive affect that the energy efficiency programs have had on his business. He noted that his company has seen a tenfold increase in revenues since they began specializing in LED products for the energy efficiency programs in 2012.

Paul Lipke (Health Care Without Harm) thanked all that were involved with planning, participating, and running the workshops and noted how successful they have been. He expressed some concern that several C&I topics were not discussed due to time constraints and urged the Council, PAs, and stakeholders to address and include them in the April 30 Draft Plan. He recommended that a place holder for those topics be included in the plan should they not be discussed before then.

Philip Dilts (citizen) introduced himself as a renter in the city of Northampton and he expressed concern over the split-incentive issue. He noted that he has the incentive to participate in energy efficiency programs but does not have access, and similarly, his landlord has access to the programs but has no incentive. He noted that more than half of the households in many of the state's cities are rentals and that this group represents a significant opportunity for energy efficiency savings. He stressed that the next Three Year Plan must set specific benchmarks for progress aimed at fully serving this group.

General Updates:

EEAC Meeting Minutes – February 25, 2015

Rio motioned to approve the minutes. Murphy seconded. All were in favor, with no opposed or abstaining. The minutes were approved by the Council.

Executive Committee Minutes – February 18, 2015

Malmstrom motioned to approve the minutes. Boyd seconded. All were in favor, with no opposed. Glynn abstained. The minutes were approved by the Executive Committee.

Executive Committee Minutes – March 2, 2015

Glynn motioned to approve the minutes. Boyd seconded. All were in favor, with no opposed or abstaining. The minutes were approved by the Executive Committee

C&I and Residential Workshop Summaries

Approval of the workshop summaries for first and second C&I workshops, as well as the first residential workshop were postponed until the March 31, 2015 Council meeting.

Consultant Monthly Report

Belliveau noted that the consultant team (C-Team) spent most of February working on the assessment of potential as well as contributing to the workshops. He also noted that several EM&V studies would be completed in the next couple weeks. Lynch added that over the last few months the residential team has completed studies on the residential products program and multifamily retrofit opportunities. She reminded the Council that those are available online and that the C-Team would be happy to answer any questions. She also highlighted the activities that the C-Team was involved in with regards to the workshops.

Blackstone Gas Update

Newman noted that coming out of the last Three-Year Plan the DPU, Attorney General, and Blackstone Gas determined that it was difficult for the company to comply with the EEAC requirements, DPU requirements, and provide customers with a full range of energy efficiency services. He noted that the DPU suggested that they work with another PA to enter into an

agreement to deliver energy efficiency services. He noted that they have a proposal for an agreement whereby National Grid would provide all gas efficiency programs approved in its Three-Year Plan to Blackstone Gas customers as if they were native load. In this agreement, Newman noted that there would be no obligation to separate Blackstone Gas customers in a separate report. He concluded by informing the Council that the details of this agreement are on the website and that they would be seeking approval of the proposal at the next Council meeting on March 31, 2015.

Other General Updates

Burgess informed the Council that the PAs filed their proposed Three-Year Term Report template with the DPU and that there would be a technical session held on March 16, 2015.

Johnson inquired if the Council could have an update on database issues. Finlayson noted that it would be difficult to give an update as the matter is still in an open proceeding at the DPU.

Consultant Assessment Report and Savings Goal Framework

Assessment Report

Belliveau presented material on the C-Team's preliminary assessment of potential report. He discussed the motivation for the report, data sources, methodologies, and results of the assessment. He stressed that many of their findings are not to be considered a critique of the programs, rather that they highlight areas where opportunities exist for achieving energy savings.

Winkler asked what type of potential the assessment considered as well as whether or not load growth factors were accounted for. Belliveau noted the assessment considered achievable potential and did account for load forecasts.

Jacobson referenced the C-Team's use of potential assessments from other states and noted that their approaches are much different than the approach in Massachusetts. He suggested that the results of those studies may not be comparable to Massachusetts. Belliveau agreed with this point, but emphasized that achievement, EM&V results, and PA studies in Massachusetts are used as the main sources to support their potential assessment. He offered that the assessments from other states are used to support the idea that pools of efficiency savings exist and will continue to replenish.

White stressed that the C-Team's presentation was not meant as a recommendation of the goals, rather that it is an idea of what they think can be achieved.

Chretien emphasized that in looking at the Clean Energy Climate Plan, there is nothing as good for the economy as achieving energy savings through these programs. For that reason, as well as an indication of untapped potential from the workshops, Chretien expressed support for the C-Team's findings.

Rio noted that he has heard from his members that they have done a lot of energy efficiency and that they will continue to do what they can but a lot of the low hanging fruit is gone. He also wondered if anyone has started to account for C&I companies that have large solar or CHP and

are no longer likely to invest in energy efficiency. He noted that that could be a reason as to why C&I has not been hitting its numbers.

Weber noted that her sense from the workshops aligned with the C-Team's findings. She emphasized that energy efficiency is the most cost-effective resource and that the state should do as much of it as it can. Glynn seconded this point and noted that the programs are still well within the range of cost-effectiveness.

Savings Goal Framework

Schlegel presented material on the C-Team's initial thoughts of a savings goals framework for the 2016-2018 Plan. He noted that the framework as drafted recommends the addition of setting goals metrics for lifetime energy savings and peak demand reduction. He added that they did not recommend oil savings given that policies surrounding these are currently evolving.

Boyd asked if the lifetime savings as a percent of annual energy sales metric would allow cross-comparison between PAs. Schlegel indicated that it would allow for comparison between PAs and in cases where the data exists it would allow for comparisons with other states in the region.

Johnson noted that the PAs already report lifetime savings. Schlegel indicated that they do, but that the additions to the framework would require lifetime savings to be planned more intentionally.

Chretien noted that he was okay with the idea of holding off on including oil savings goals in the framework, but that he would encourage setting some sort of time limit on how long they wait. He recommended that in the meantime they at least set a savings goal as a floor.

Rio noted that many of his members have expressed concern over the energy efficiency costs. He recommended that the cost to ratepayers be kept in mind during the development of the plan. White seconded this point. Swing added that the mayor of Boston is very concerned about the current state of utility bills and the food and fuel decision making process that many families are facing. Winkler noted that there is general consensus in the region that the cost of savings will increase as they get deeper.

White recommended that the additions to the framework be considered as suggestions that require further discussions. She noted that she did not feel that the addition of lifetime savings as a percent of annual sales would be particularly useful and that she did not think the PAs should be prescribing a measure life. She stressed that if they have to prescribe all of the items in the framework that they will be limited in their ability to reach the high level savings goals. Schlegel suggested that they could leave some of those items on the framework because they are informative, but not have them there as primary goals.

Malmstrom noted that it would be valuable to be able to see and track the cost of savings are compared to the cost of supply.

Burgess adjourned the Council for a short break at 2:50 pm.
The Council reconvened at 3:04 pm.

Demand Savings

Burgess asked if there would be interest from the Council to hold a webinar on demand savings and what that might look like. A sense of the Council indicated that there was. Burgess indicated that they would schedule one for a date to be determined in April.

Recommendations for the 2016-2018 Resolution

Burgess reviewed the resolution process and schedule and introduced Alex Pollard and Ian Finlayson to present on the recommendations that came out of the C&I and residential workshops.

Commercial & Industrial

Pollard presented the high level recommendations that came from the C&I workshops and showed what a draft resolution might look like.

Gromer asked if Councilor's could prioritize the list of recommendations so that the PAs know which ones are the most important to focus on. Pollard noted that this was done to some extent to create the list of workshop topics in the December meeting. Sharon noted that she did not feel that the list had too many things to focus on when one considers the time and resources that go into these programs.

Chretien noted that it would be good to have some more information and data on market penetration in regards to how many LED street lights can be done. He also noted that he would like to see a program for non-profit organizations and suggested that he is working on getting information on that out as soon as possible.

Malmstrom noted that it seemed that the Council does not know as much as it should with respect to demand and recommended there be some sort of placeholder or clause in the Three-Year Plan to re-visit this in the next year or so. He also recommended that the plan allow for exploration of zero net energy buildings. Lastly, he expressed concern about directing the PAs to spend so much time reporting at the expense of time spent achieving energy efficiency savings.

White noted that the recommendations coming out of the workshops are helpful for the PAs, but expressed concern about them being included in a resolution of the Council. She further noted that it is important to make the distinction between what a high level priority is and what would be nice to have in a program.

Residential

Finlayson presented the high level recommendations that came from the residential workshops.

Rio recommended that single family rentals be included in the recommendations for home energy services. He noted that landlord-tenant issues can be more difficult to work around for single families. Swing seconded this point.

McDonagh noted that he would like to see some focus on improving the closure rate for weatherization. Johnson added that it is important that energy specialists and lead vendors are adequately incentivized to close on weatherization. McDonagh also noted that many people are

not as likely to take advantage of the HEAT loan because it is not free money. He recommended that solutions are needed to get people to prioritize energy efficiency.

Mid-Term Modifications

Lyne introduced the PAs and emphasized that they would not be seeking a Council vote at the present meeting. He noted that their presentations were meant as preparation for a vote at the next Council meeting on March 31, 2015.

Cindy Carroll (Unitil) noted that they would be asking for budget increases for the residential whole house and C&I retrofit programs.

Lisa Shea (Eversource) noted that they would be asking for budget increases for WMECo's residential products and C&I new construction programs, as well as NSTAR Electric's residential hard-to-measure program. She also noted that they would be asking for a budget decrease for NSTAR Gas' C&I retrofit program.

Maggie Downey (Cape Light Compact) noted that they would be asking for budget increases for the residential whole house, residential hard-to-measure, C&I new construction, and C&I hard-to-measure programs.

Carol White (National Grid) reminded the Council that they approved an MTM back in October for budget increases in their residential whole house, residential products, and residential hard-to-measure programs. She indicated that they had made an error and that the request needed to go through the DPU. She informed the Council that National Grid would be asking for the same information as was in the October MTM.

Michael Sommer (Berkshire Gas) noted that they would be asking for budget increases for the residential whole house and C&I new construction programs.

Finlayson asked Eversource to elaborate on their ask for a decrease in budget for its C&I retrofit program. He noted the history of underspending in the C&I sector and was curious as to why in March the company is confident it will not hit its budget. Gundal noted that they are not trying to avoid going after cost-effective savings within their budget. However, when they project forward they see a chance that they will come in under 80% of their budget and that they are required to let the DPU know of this matter.

Adjournment:

Burgess thanked everyone and adjourned the meeting at 4:17 pm.