Third Quarter 2013 Performance

Presentation to the EEAC by the PAs

November 12, 2013
Quantitative Review
Electric Summary % of Goal

YTD Preliminary Actuals as a Percent of Plan Goal

<table>
<thead>
<tr>
<th></th>
<th>Residential</th>
<th>Low-Income</th>
<th>Commercial &amp; Industrial</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sum of Participants</td>
<td>94%</td>
<td>87%</td>
<td>94%</td>
<td>80%</td>
</tr>
<tr>
<td>Sum of Total Spend</td>
<td>68%</td>
<td>63%</td>
<td>48%</td>
<td>34%</td>
</tr>
<tr>
<td>Sum of Capacity (kW)</td>
<td>74%</td>
<td>72%</td>
<td>48%</td>
<td>38%</td>
</tr>
<tr>
<td>Sum of Energy (annual MWh)</td>
<td>72%</td>
<td>82%</td>
<td>45%</td>
<td>34%</td>
</tr>
<tr>
<td>Sum of Energy (Lifetime MWh)</td>
<td>85%</td>
<td>90%</td>
<td>33%</td>
<td>42%</td>
</tr>
</tbody>
</table>
Gas Summary % of Goal

YTD Preliminary Actuals as a Percent of Plan Goal

- Sum of Participants: 84% Residential, 96% Low-Income, 71% Commercial & Industrial, 84% Total
- Sum of Total Spend: 53% Residential, 66% Low-Income, 28% Commercial & Industrial, 48% Total
- Sum of Annual Therms: 69% Residential, 88% Low-Income, 26% Commercial & Industrial, 49% Total
- Sum of Lifetime Therms: 77% Residential, 85% Low-Income, 26% Commercial & Industrial, 51% Total
Third Quarter Statewide Overview

- Electric and gas annual savings are at 45% and 49% of goal, respectively
- Overall program performance is consistent across fuels
- Performance tracking close to, but somewhat under 2012 for spending and annual savings, and very similar for lifetime savings
- Residential and low-income savings very healthy
- C&I tracking lower, but more subject to the hockey stick and more impacted by ability to close projects throughout the three year term
Comparison to 2011 and 2012 Q3

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electric</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spending</td>
<td>$143,573,015</td>
<td>$290,444,605</td>
<td>$231,349,395</td>
</tr>
<tr>
<td></td>
<td>35%</td>
<td>58%</td>
<td>48%</td>
</tr>
<tr>
<td>Annual MWh</td>
<td>363,541</td>
<td>544,677</td>
<td>543,083</td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>50%</td>
<td>45%</td>
</tr>
<tr>
<td>Lifetime MWh</td>
<td>3,536,281</td>
<td>5,153,020</td>
<td>5,487,667</td>
</tr>
<tr>
<td></td>
<td>34%</td>
<td>43%</td>
<td>42%</td>
</tr>
<tr>
<td><strong>Gas</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spending</td>
<td>$54,241,846</td>
<td>$77,622,441</td>
<td>$81,276,065</td>
</tr>
<tr>
<td></td>
<td>51%</td>
<td>59%</td>
<td>48%</td>
</tr>
<tr>
<td>Annual therms</td>
<td>9,064,215</td>
<td>13,291,378</td>
<td>11,167,358</td>
</tr>
<tr>
<td></td>
<td>50%</td>
<td>56%</td>
<td>49%</td>
</tr>
<tr>
<td>Lifetime therms</td>
<td>130,907,658</td>
<td>156,989,781</td>
<td>155,166,764</td>
</tr>
<tr>
<td></td>
<td>47%</td>
<td>47%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Note: percentages from year to year reflect increasing overall goals; thus, as shown above, equal or lower percentages do not necessary translate to equivalent or lower savings.
Electric Statewide Budgets

Electric Statewide Spend Compared to Goal

<table>
<thead>
<tr>
<th>Sector</th>
<th>Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$104,916,144</td>
</tr>
<tr>
<td>Low-Income</td>
<td>$34,094,810</td>
</tr>
<tr>
<td>Commercial &amp; Industrial</td>
<td>$92,338,441</td>
</tr>
<tr>
<td>Total</td>
<td>$231,349,395</td>
</tr>
</tbody>
</table>

Electric Statewide Percentage Spent by Sector

- Residential: 45%
- Low-Income: 15%
- Commercial & Industrial: 40%
Electric Statewide Annual Savings

Electric Statewide Annual Savings (MWh) Compared to Goal

- Residential: 238,427
- Low-Income: 23,786
- Commercial & Industrial: 280,870
- Total: 543,083

Electric Statewide Annual Savings Percentage by Sector

- Residential: 52%
- Low-Income: 4%
- Commercial & Industrial: 44%
Electric Statewide Lifetime Savings

Electric Statewide Lifetime Savings (MWh)
Compared to Goal

<table>
<thead>
<tr>
<th>Sector</th>
<th>Savings (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>1,608,564</td>
</tr>
<tr>
<td>Low-Income</td>
<td>239,011</td>
</tr>
<tr>
<td>Commercial &amp; Industrial</td>
<td>3,640,091</td>
</tr>
<tr>
<td>Total</td>
<td>5,487,667</td>
</tr>
</tbody>
</table>

Electric Statewide Lifetime Savings Percentage by Sector

- Residential: 29%
- Low-Income: 5%
- Commercial & Industrial: 66%
Gas Statewide Budgets

Statewide Gas Spend Compared to Goal

- Residential: $44,991,651
- Low-Income: $22,566,647
- Commercial & Industrial: $13,717,767
- Total: $81,276,065

Statewide Gas Percentage Spent by Sector

- Residential: 55%
- Low-Income: 17%
- Commercial & Industrial: 28%
Gas Statewide Annual Savings

Gas Statewide Annual Savings ( Therms ) Compared to Goal

<table>
<thead>
<tr>
<th>Sector</th>
<th>Savings (Therms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>7,073,963</td>
</tr>
<tr>
<td>Low-Income</td>
<td>1,228,926</td>
</tr>
<tr>
<td>Commercial &amp; Industrial</td>
<td>2,864,468</td>
</tr>
<tr>
<td>Total</td>
<td>11,167,358</td>
</tr>
</tbody>
</table>

Gas Statewide Annual Savings Percentage by Sector

- Residential: 63%
- Low-Income: 11%
- Commercial & Industrial: 26%

Total: 11,167,358 therms
Gas Statewide Lifetime Savings

Gas Statewide Lifetime Savings (Therms) Compared to Goal

<table>
<thead>
<tr>
<th>Sector</th>
<th>Therms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>90,120,943</td>
</tr>
<tr>
<td>Low-Income</td>
<td>23,504,046</td>
</tr>
<tr>
<td>Commercial &amp; Industrial</td>
<td>41,541,775</td>
</tr>
<tr>
<td>Total</td>
<td>155,166,764</td>
</tr>
</tbody>
</table>

Gas Statewide Lifetime Savings Percentage by Sector

- Residential: 58%
- Low-Income: 15%
- Commercial & Industrial: 27%
Qualitative Review
Council Priorities- Highlight on Priority 1 (Goals and Program Success)

- **Progress**: PAs monitored progress toward goals, including reviewing pipeline, identifying gaps, and considering and deploying new strategies to achieving goals
- **Management committees**: RMC, C&IMC, LI Best Practices continued to identify and share best practices
- **C&I Sector**: Particular emphasis on C&I sector, including focus on CHP, segmentation, deep savings, new technology, increased staff, adding vendors, and improving productivity
Council Priorities- Highlight on Priority 6 (Evaluation Efforts)

- **Continued Research**: Continued work in all research areas
- **Evaluation Strategic Plan**: EMC prepared 2013-2014 Evaluation Strategic Plan to describe the evaluation planning process, planned and in-progress study, and align evaluation plan with program planning
  - Collaborative process among PAs, Council’s consultants, evaluation vendors
- **Avoided Energy Supply Cost Study**: Finalized on July 12, 2013 after extensive review with the AESC regional Study Group
Statewide Marketing

- **Marketing campaigns in Q3:**
  - Increased digital banner ads, including geo-targeted ads and ads on weather.com
  - Radio ads on 26 top-rated stations in English, Spanish, and Portuguese
  - Print campaigns targeting C&I, and new creative for billboards, bus signage, and MBTA

- **MassSave.com**
  - PAs worked to develop new architecture for refreshed, more user-friendly C&I section
  - Converting website to a mobile friendly design

- **Social Media**
  - Strong presence on Facebook and Twitter
Statewide Education

- Statewide Education Group convened its first meeting on July 22\textsuperscript{nd} with PAs and DOER in attendance
- Primary focus is to promote energy awareness to school students in grades K-12 and offer teacher resources
- Working group will meet monthly
- Teacher workshops were initiated in Q3
Program Highlights- Residential Whole House

- **Home Energy Services**
  - New enhancements continued to be implemented in Q3, including:
    - Pre-Weatherization Barrier Offer
    - Early Boiler Replacement Rebate
    - Efficient Neighborhoods+ Initiative
    - 2-4 Unit Incentive
  - Contractors Best Practices Working Group held elections to elect a new committee of HPC and IIC representatives

- **Multi-Family Retrofit**
  - Multi-Family Market Integrator receive a monthly average of over 500 incoming calls in Q3

- **Residential New Construction**
  - Additional outreach and recruitment efforts in Multi-Family Project Pipeline in Q3- integrated residential and C&I efforts
Program Highlights - Residential Products

- **Gas Residential Heating and Water Heating**
  - 13th Annual GasNetworks conference held on September 26th
  - Trade ally training continued throughout the quarter

- **Electric Residential Cooling and Heating**
  - Strong results for equipment sales and QI efforts
  - An additional 9 QIV trainings held in Q3, training 81 technicians

- **Residential Lighting**
  - Statewide, LEDs have already surpassed goal

- **Residential Consumer Products**
  - PAs continue to promote TopTen USA to interested retailers and have developed a retail FAQ
Program Highlights- Low Income

• Single-Family (1-4)
  • Best Practices Working Group finalized standardized client education materials
  • PAs noticing higher per unit cost for weatherization jobs and heating systems- based on less federal funding

• Multi-Family (5+)
  • PAs continue to use benchmarks obtained from WegoWise multi-family benchmarking tool for prioritizing facilities.

• Low-Income New Construction
  • Meeting was held in Q3 with reps from Boston Local Initiatives Support Corporation, Citizens Housing and Planning Association, and CDCs and housing authorities
Program Highlights - C&I

- Division of Capital Asset Management and Maintenance
  - Many smaller projects got underway in Q3, with audits at dozens of sites throughout Massachusetts
    - Nearly 40 of these projects applied for PA incentives
  - PAs working with larger and more comprehensive projects

- Main Streets Delivery Model
  - In Q3, two additional PAs began development of testing efforts

- Commercial Real Estate
  - A research plan was developed in Q3
    - One-on-one interviews with senior leaders, both building owners and property managers
    - Research output to include data on key barriers and opportunities
    - Interview guide was finalized in Q3
Massachusetts Technical Assessment Committee (“MTAC”) Update

- During Q3, the combined electric and gas MTAC evaluated six residential and C&I technologies, recommending several for custom applications
- MTAC added new members in Q3
- MTAC members attended the CL&P Technical Assessment & Coordination Committee to promote the sharing of technologies, processes, and lessons learned