



## MEETING MINUTES

Wednesday, February 16, 2023

Virtual Meeting via Zoom

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<b>Councilors Present:</b>	Greg Abbe, Jo Ann Bodemer, Kyle Murray (for Amy Boyd), Tim Costa, Elliott Jacobson, Paul Johnson, Meg Lusardi, Deirdre Manning, Robert Rio, Jonathan Schreiber, Charlie Harak, Brooks Winner (for Cammy Peterson), Dennis Villanueva, Cindy Luppi (for Mary Wambui), Sharon Weber, Commissioner Patrick Woodcock, Dennis Villanueva, Cindy Carroll, Maggie Downey, Michael Ferrante, Kate Peters, Hammad Chaudry, Chris Porter, Stephanie Terach
<b>Councilors Absent:</b>	Paul Gromer
<b>Consultants Present:</b>	Eric Belliveau, Adrian Caesar, Gretchen Calcagni, Griff Keating
<b>DOER Staff Present:</b>	Sarah McDaniel, Alissa Whiteman, Ina Dasso, Emily Webb

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### 1. Call to Order

Commissioner Woodcock, acting as Chair, called the meeting to order at 1:05 PM.

### 2. 2023 Council Priorities

Commissioner Woodcock shared the draft 2023 EEAC Priorities document to facilitate Council discussion.

#### *Council Discussion*

Peters suggested that the moderate-income priority be reframed around coordinating with the Equity Working Group (EWG) to enhance the current moderate-income program as opposed to developing an entirely new program by the third quarter (Q3) of 2023. Peters said that the program administrators (PAs) want to be immediate and tactical with moderate-income program improvements. Peters said that on March 7<sup>th</sup> the PAs and program implementers will discuss implementation strategy and expect to bring ideas to EWG and EEAC. Commissioner Woodcock replied that the priority should still emphasize development of a comprehensive delivery model, but asked for EWG feedback. Bodemer asked if the language on the comprehensive delivery

model was carried over from a prior iteration of the EEAC Priorities. Bodemer agreed with Peters that the PAs need to report and discuss moderate-income program performance so the EWG and EEAC can provide strategic feedback. Bodemer said the PAs should not develop a new implementation strategy and the language should suggest that the current moderate-income program needs immediate enhancements.

Johnson disagreed with Bodemer and Peters and said that the moderate-income program is a disaster. Johnson recommended that the current model be abandoned, a new strategy be developed, and the language call for an immediate program redesign.

Winner commented that recent Consultant Team (C-Team) presentations on moderate-income program performance have been worrying. Winner agreed with Johnson that poor performance to date warrants a new, comprehensive-delivery model instead of minor corrections to the current offering. Winner said that the program progress is lagging and needs to get back on course.

Commissioner Woodcock said that the priority should call for immediate programmatic improvements, in addition to development of a new delivery model by Q3 2023.

Weber agreed with Winner that moderate-income-program performance is behind and requires immediate correction. Weber said the language should reflect the need to improve moderate-income-program performance by Q3.

Jacobson said that the PAs and Low-income Energy Affordability Network (LEAN) expect to derive useful insights from the March 7<sup>th</sup> moderate-income-program meeting

Bodemer recommended that the language on the moderate-income program reflect the need to implement immediate changes, but defer development of a new delivery model. Bodemer said that constant planning, without actual implementation, will hinder goal attainment. Bodemer suggested that data on winter mitigation strategies might provide valuable information. Commissioner Woodcock suggested that the priority read, “moderate-income implementation, including potential for a new, comprehensive delivery model proposal,”

Johnson replied that the proposed language was not strong enough since the moderate-income program requires immediate corrective action. Johnson said that third-party implementation should be considered given that the program is a failure.

Bodemer said that Commissioner Woodcock’s proposed wording is better. Winner suggested that the language allow flexibility for a new delivery model. Peters said that the PAs agree with the need to improve performance, but want to work quickly to implement recommendations. Commissioner Woodcock said that the priority should read, “moderate-income implementation, including a new, comprehensive delivery model proposal.” Weber and Winner supported this change.

Winner suggested that the priorities refer to LEAN as a separate entity from the PAs. Commissioner Woodcock asked if LEAN engages in the Clean Energy Pathways internships. Peters said the PAs, LEAN, and Action for Community Development Boston lead the Clean

Energy Pathways internships. Jacobson said that LEAN can be referenced separately from the PAs even though they work together. Bodemer opposed separating LEAN from the PAs since they are program vendors. Bodemer said that LEAN works with the PAs to fulfill equity and workforce development objectives. Jacobson and Harak concurred with Bodemer.

Peters said that the priority on all-electric new construction should reflect that the All-Electric New Construction offering currently exists.

Winner said that the priority on right-sizing residential heat-pumps should mention quality installation. Commissioner Woodcock agreed and said that the PAs are seriously considering quality installation as a key foundation to heat-pump-market development. Winner said that increases in heat-pump installation should be done correctly.

### ***Council Vote***

Weber motioned to approve the 2023 EEAC Priorities. Manning seconded. All were in favor, with none opposed or abstaining. The 2023 EEAC Priorities were approved by the Council.

## **3. Active Demand Management Update**

### ***Program Administrator Presentation***

McCarthy, Connor, and Findlay, on behalf of the PAs, presented an update on active demand management (ADM) programs. McCarthy provided a summary of existing ConnectedSolutions offerings and strategies, the impact of ConnectedSolutions on the ISO-NE grid during summer peak days, and performance across each ADM strategy. McCarthy also described lessons-learned from summer 2022 performance, and strategies for enrolling more customers in the ConnectedSolutions program during summer 2023, such as an Active Demand Stakeholder Meeting.

### ***Council Discussion***

Commissioner Woodcock said ConnectedSolutions participants offer positive feedback and asked if there are any hypotheses for the observed decrease in participation. McCarthy replied that enrolled-capacity and actual-capacity savings varies across ADM strategies. For thermostats, McCarthy said that customers likely overrode their thermostats due to summer heat. Findlay said that opt-outs did not increase during the summer so the issue will require further investigation. Commissioner Woodcock asked if these findings could inform the design of the 2023 ConnectedSolutions program. Findlay confirmed that event-calling strategy would be informed by 2022 results. Findlay said that the PAs would extend the window of event hours based on the summer 2022 peaks, and revisit deemed-savings calculations for controllable thermostats. Commissioner Woodcock asked how much compensation is provided for enrolled residential thermostats. Findlay said that residential participants receive \$25 for thermostat enrollment and \$25 for ongoing participation in events. Commissioner Woodcock said that college students were not enticed by the current participation incentives. Findlay responded that the PAs are considering increasing the enrollment incentive to \$50 but not changing the participation incentive for summer 2023.

Weber commented that her municipality called twelve electric-vehicle (EV) charging-curtailed events, and while there is low EV-charger enrollment, enrolled EV-chargers produced significant capacity savings. Weber suggested calling EV-charging events daily and during the winter. Findlay said that Weber's municipality likely called so many events to perform localized-distribution management beyond targeting ISO-New England summer peaks. Findlay said that EV-charging is typically not coincident with ISO-New England peaks since people generally charge from 7-10PM. Findlay suggested localized targeting for EV-charging events. Weber asked if the PAs could call EV-charging events during the winter. McCarthy said that the events and corresponding incentives would need to pass cost-effectiveness screening, which is not the case since the avoided energy benefits do not exceed incentive costs.

Commissioner Woodcock asked if the PAs included the latest winter prices in their benefit-cost analysis. McCarthy replied that even when higher winter prices are considered, many winter ADM strategies do not pass cost-effectiveness screening due to smaller avoided energy and capacity savings.

Johnson asked what the PAs are doing to improve ADM-program enrollment and participation beyond enrollment incentives. Johnson also asked if there was unspent summer ADM budget that could incentivize participation beyond the summer. McCarthy said that the PAs have not called events beyond the summer. McCarthy clarified that commercial & industrial participants are paid based on capacity savings, whereas residential participants are paid for participating in a certain number of events. Johnson asked if the PAs can increase enrollment and participation incentives. McCarthy said a process evaluation could explore whether greater or more frequent payments would be better than seasonal payments. Findlay said the PAs would be in favor of increasing enrollment incentives to increase participation, since opt-outs during events are not a current issue. Findlay said many participants are early-adopters or climate advocates, but expanded participation would capture different customers who require greater financial motivation to participate in ADM programs. Johnson suggested that monthly payments would encourage continued participation. Findlay said that customers receive emails mid-summer to thank them for participating and present energy and capacity savings. Johnson asked how often enrollees are contacted with email correspondence or messages to encourage continued participation. Findlay said that Eversource sends a mid-season email to participants, but thermostat manufacturers also send automated messages through applications or emails.

Rio suggested that winter peak demand, as it relates to greenhouse gas emissions, will become increasingly important during the next decade and encouraged the PAs to regularly revisit the benefit-cost analysis. Rio said that the PAs should communicate the cumulative impact of ADM programs in customer messaging to encourage participation, like quantifying the equivalent of vehicles taken off the road through ADM savings. Findlay responded that Eversource includes quantification of ADM impacts in its seasonal emails. McCarthy said that ConnectedSolutions will be able to leverage advanced metering infrastructure and time-varying rates to motivate more participation.

Abbe asked if the Massachusetts Technical Reference Manual (MA TRM) explains ADM-savings calculations. McCarthy said that all ADM measures should be included in the MA TRM. Abbe asked if all ADM non-energy benefits have been included in recent benefit-cost analysis.

McCarthy confirmed that non-energy impacts and other resource impacts are included in current benefit-cost analysis, but the majority of ADM benefits come from avoided transmission and distribution capacity.

Commissioner Woodcock requested a copy of the email correspondence shared with Residential ConnectedSolutions participants. Commissioner Woodcock said that although capacity benefits are included in current benefit-cost analysis, the PAs should incorporate costs tied to natural gas infrastructure and reliability. Commissioner Woodcock said that reflecting winter reliability costs could support ADM-cost-effectiveness screening. Commissioner Woodcock agreed with Rio that winter-ADM will be important over the next decade and could be part of a comprehensive effort to maintain the adequacy of energy resources in the winter.

### ***Consultant Team Presentation***

Keating, on behalf of the Consultant Team (C-Team), presented both near- and long-term ADM strategies for enhancing the ConnectedSolutions program. These include new technologies to be managed under existing ADM strategies and additional ConnectedSolutions offerings enabled by technical innovation and policy changes. Keating also summarized demand management programs in other jurisdictions and compared them to the Massachusetts ConnectedSolutions program.

### ***Council Discussion***

Commissioner Woodcock said that there is 540 MW of storage capacity in the Commonwealth, which is over halfway to the 1,000 MW goal.

Johnson asked what current pilot and demonstration programs are leveraging advanced metering infrastructure (AMI) and how soon can results be used to develop full offerings. Keating said that the C-Team can share recent AMI pilots from other states with the PAs. McCarthy said that the PAs have conducted AMI pilots for many years in places like Marshfield and Worcester. Johnson asked what the PAs concluded from these AMI pilots. McCarthy said that grid modernization filings at the Department of Public Utilities were informed by findings from these AMI pilots.

Abbe asked if Connecticut was able to offer such high ADM incentives because they use different baselines or methodology in their benefit-cost analysis. Findlay said that the Connecticut Energy Storage Solutions program uses grid modernization funding outside of energy efficiency and ADM-program funding. Findlay said that their cost-effectiveness screening includes both active and passive dispatch components, with passive dispatch weighted more heavily, while Massachusetts cost-effectiveness screening only includes active dispatch benefits. Abbe asked if the ConnectedSolutions program can replicate components of the Connecticut Energy Storage Solutions program or if ConnectedSolutions is subject to different constraints. Findlay said that the Connecticut and Massachusetts programs are similar, but the ConnectedSolutions program only offers pay-for-performance incentives during battery dispatch on top of modest enrollment incentives. Connecticut also offers incentives for battery installation costs, enrollment, and participation in ADM events. McCarthy added that taxpayer funds support the Connecticut Energy Storage Solutions program. Findlay said significant funding is required

to support the Connecticut Energy Storage Solutions program, but it may not impact utility cost recovery for a few years.

Commissioner Woodcock stated that the Department of Energy Resources is interested in gas demand response and looks forward to working with the PAs. Commissioner Woodcock said additional analysis is required on battery deployment for long durations during winter cold snaps. Commissioner Woodcock said there is a peak-demand reduction opportunity, but ISO-New England has encouraged caution about battery deployment and recharging during cold snaps. Keating said that during cold snaps, the ISO-New England grid has two major peaks that may be flattened by avoiding peak generation. Commissioner Woodcock said that according to ISO-New England, extensive battery charging during the valleys may still result in oil depletion.

McCarthy noted that an ISO-New England report on a December 24<sup>th</sup> load-curtailed event mentioned a call to reduce 300 MW of capacity demand during peak hours. McCarthy said that ADM is a resource used for resilience and resources can be deployed year-round to ensure an adequate energy supply. McCarthy said that many capacity resources may be enrolled in both ConnectedSolutions and ISO-New England ADM initiatives, but the PAs do not call events year-round.

#### **4. Equity Working Group Members**

##### ***Council Discussion***

Commissioner Woodcock announced that the EWG Charter calls for seven EEAC Representatives on the EWG, two of which are elected via Council vote. Commissioner Woodcock invited Harak, Boyd, and Lusardi to provide their statements of interest prior to Council vote. Since Boyd was absent, Murray indicated that he would read Boyd's statement of interest.

Harak, Lusardi, and Murray, on behalf of Boyd, summarized their statements of interest for EEAC representation on the EWG.

##### ***Council Vote***

Commissioner Woodcock proposed that Councilors vote simultaneously for each of their preferred EWG Representatives and that the two candidates with the most votes will represent the EEAC on the EWG. The vote was conducted by roll call and Commissioner Woodcock and Schreiber abstained. The results were 13 votes for Harak, 8 votes for Boyd and 5 votes for Lusardi, resulting in Harak and Boyd being elected as EEAC Representatives for the EWG.

#### **5. Adjournment**

Commissioner Woodcock, acting as Chair, adjourned the meeting at 3:04 PM.

##### **Meeting Materials:**

- Agenda
- 2023 EEAC Priorities Draft 2.1

- PA Active Demand Presentation
- Consultant Active Demand Presentation
- Amy Boyd EWG Statement
- Meg Lusardi EWG Statement
- Charlie Harak, EWG Statement