

**Massachusetts Energy Efficiency Advisory Council**  
 Meeting Minutes  
 Tuesday, June 12, 2012

**Councilors Present:**

<b>Voting</b>	<b>Present (designee)</b>	<b>Non-Voting</b>	<b>Present (designee)</b>
Nancy Seidman	X	Elizabeth Cellucci	X
Martha Coakley	Danielle Rathbun	James Carey	Trish Walker
Penn Loh	X	Penni Conner	Tilak Subrahmanian
Mark Sylvia	Tina Halfpenny	Michael Ferrante	
Debra Hall	X	Alisha Frazee	
Charles Harak		Kevin Galligan	Maggie Downey
Elliot Jacobson	Rita Carvalho	Cindy L. Carroll	X
Jeremy McDiarmid	X	John Ghiloni	
Rick Mattila	X	Paul Gromer	X
Robert Rio		Andrew Newman	X
Deirdre Manning	X	Richard Oswald	X
		Michael Sommer	X
		Carol White	X

DOER: Sue Kaplan, Katie O'Rourke, Lyn Huckabee,  
 Consultants: Jeff Schlegel, Eric Belliveau, Ellen Zuckerman, Tyler Schlegel, John Livermore

**Present:**

Emmett Lyne	Jeremy Shenk	David Minasian
Rob Callahan	Marie Abdou	Jack Habib
Lisa Shea	Jodi Hanover	Jim O'Reilly
Lynn Westerlind	Monica Cohen	Tom Regh
Cara Mottola	Margaret Song	David Evans
JoAnn Bodemer	Ed Schmidt	Mike Wallerstein
George Yiankos	Jayden Wilson	Matt Saunders
John Sluder	Pat Coleman	Andy Belden
Amy Vavak	Irving Silverman	Jack Griffin
John DiModica	Barry Perlmutter	Erin Malone
Seanna Greene	Larry Chretien	Tom Palma
Emily Norton	Christina Dietrich	Kevin Cote
Sam Nutter	Puja Vohra	David Jacobson
Meredith Miller	Michael Kuttles	Paul Johnson

Halfpenny called the meeting to order at 2:06 and welcomed everybody. She noted that this is an exciting time and that we are 3 months away from final draft plans. She highlighted the tremendous amount of work going into planning the programs out through 2015.

## **Public comment**

Tom Regh (Progressive Energy Service) noted that contractors have been coming to Council meetings for 14 months, and that hope for a negotiated solution has run out. He said that contractor letters were sent to the PAs on the set pricing policy, and to DOER and the AG. Rathbun noted that a response letter would be coming later in the week. Regh said that DOER responded with a bunch of information, and noted that the Best Practices group presentation at the April meeting didn't represent all of the contractors. He noted meeting with NSTAR to establish another path for him to participate in the HES program. He further noted a growing number of dissatisfied stakeholders.

Paul Johnson suggested that the Best Practices group is kind of limited and not the best vehicle for solving the problems that the contractors have. He noted that some issues are taken off line for contractors to deal directly with CSG. Johnson said that he doesn't have enough time to talk with customers, and needs this time to convince them to go deep. He noted that contractors have a lot of ideas about how to make the HES program better, and they would like to have time during this forum to bring them forward.

Rob Callahan (Callahan Energy) commented on his experience pulling a permit this week. He conveyed that the inspector said he is concerned about the quality of Mass Save contractor work. He noted that when they give customers the Mass Save 800 number, customers are saying they don't want to participate, and appear confused and discouraged.

Jeremy Shenk (CLU) noted that he left a copy of GJC's recommendations for the 3-year plan on everyone's chair. He encouraged Councilors to come to him with any questions.

## **General Updates**

### *Pre-weatherization*

Sommer noted that the pilot is scheduled to run 3 months and there have been over 70 offers of service, with 3 excepted. He emphasized that it is still very early in the process and there is not much data yet. Halfpenny noted the Council's appreciation to the PAs for following through on this important issue.

### *Legislative Report*

Halfpenny noted that the report is behind schedule. Kaplan explained that the first draft will be circulated to the Council on June 19<sup>th</sup>, with comments requested back by the 22<sup>nd</sup>. She noted that a draft will be circulated for final review on the 29<sup>th</sup>, with the final report ready to be voted on at the July 10<sup>th</sup> meeting.

### *Executive Committee Meeting update - EC Meeting Minutes*

Halfpenny noted that the EC has met twice since the May Council meeting. She discussed the May 22<sup>nd</sup> meeting notes. McDiarmid motioned for a vote; Rathbun seconded. The Council voted and unanimously approved the May 22<sup>nd</sup> EC meeting minutes. Halfpenny discussed the June 4<sup>th</sup> meeting notes. She noted that a second Council meeting will be added in July (July 10<sup>th</sup>, July 24<sup>th</sup>). McDiarmid motioned for a vote;

Rathbun seconded. The Council voted and unanimously approved the June 4<sup>th</sup> EC meeting minutes.

*May EEAC Meeting Minutes*

Rathbun motioned for a vote; McDiarmid seconded. The Council voted and unanimously approved the May EEAC meeting minutes.

*DPU 11-120 Update - subcommittee*

Venezia gave an update, explaining that phase 1 is completed and that we are waiting on a department order. As part of Phase 2, he noted, DPU offered a straw proposal to reduce PA reporting: the DPU would defer to the Council on significant MTMs, without further approval of DPU. Venezia said it is important that the EEAC voting members discuss and express an official Council opinion to the DPU. He noted the upcoming schedule: New date for technical session meeting, June 19<sup>th</sup> – chance for stakeholders to ask questions; deadline for comments, July 12<sup>th</sup>. McDiarmid emphasized that there are some big proposed changes, and that the Council needs to think about how it would affect our role. He noted the intention to put together comments for discussion on July 10<sup>th</sup>, and that the EC had asked for one of council consultants to be at the Technical Session. The Council was in agreement that a consultant should be at the Tech Session. Halfpenny asked for volunteers to serve on the subcommittee. Rathbun indicated she could sit on the subcommittee in the role of AG – but may not be able to help craft Council comments to DPU. McDiarmid and Seidman also indicated their willingness to volunteer. Halfpenny noted that the DPU has a lot of regulatory work with multiple PAs filing documents.

*Appreciative Inquiry Update*

Halfpenny asked how best to incorporate the enthusiasm and ideas from the AI summit. White noted that the PAs have created a small group that is summarizing the ideas from the AI and identifying the 10-15 most important actionable items. She explained that recommendations will be sent to the appropriate working groups, and a landing spot on the Mass Save website has been created which should go live this week. She noted that a report on the AI summit will soon be posted on the website, and also included in the October filing to the DPU. Rathbun commented that a big theme she heard at the AI was Education. McDiarmid commented that the most valuable piece of the event is how the PAs incorporate the ideas into the 3-year plan. White noted that the PAs are also looking at and prioritizing comments received at the January Council meeting. Hall observed that, after the AI summit, the draft 3-year plans seem deflated from the aspirational vision at the AI. She noted that the next 3-year plan doesn't seem as bold as it could be, with more break-throughs to build on the great things the PAs have accomplished so far. Halfpenny highlighted the new ideas, criticism and praise at the AI, and that attendees donated two days of their time to make the programs even better.

**2013-2015 Draft Plans – Achieving all cost effective energy efficiency - Discussion**

Halfpenny noted that the next draft plans are coming in on July 1<sup>st</sup>, with 08-50 tables, budgets and savings. She said that Councilors have provided some individual feedback, and now it is important to discuss and decide what the highest level expectations are that we need to see in July. Halfpenny reminded the Council that it needs to make sure the plan demonstrates all cost-effective efficiency.

A robust discussion followed. Loh asked the PAs to follow up on the GJC memo, and noted that some scenario planning might be helpful – with a range of savings and costs like the consultants provided. Hall asked for some commentary on how the state of economy is affecting goals, and a detailed explanation of why costs are still growing. Seidman noted that there is still a wide disparity in key cost to achieve indicators across the PAs, and asked how we can narrow these. Rathbun noted the need for more background information and analysis on rising costs. Schlegel noted that the Council asked the consultants to go back and look at 2011 costs. He presented a series of slides looking at 2011 PA spending and showing a \$137 million overestimate of costs. He noted that all 6 major budget categories were under spent, and that there appears to be a systematic over-estimation of planned PA costs. He further noted the importance of proper budgeting on the front end. Halfpenny asked what level of savings could have been achieved if all budgets were 100% spent. She noted that we've learned a lot over the past 2 ½ years. Subrahmanian explained that the PAs are very judicious – not spending more money than they need to – and noted that CHP projects affect the C&I numbers, and that incremental savings cost more. He noted that the PAs have invested a bunch of time to look at the cost drivers. Schlegel clarified that we think that money is being spent well; however we see a systematic overestimation of planned costs. He emphasized the importance of setting a budget that's appropriate for the objectives and components of the programs. McDiarmid said it would be helpful to understand how 2011 costs get factored into the 3-year plan cost estimation. He noted being encouraged by the new ideas and innovation - we're in a good place, and we can move to a great place. White reminded the Council of the slew of EM&V study results that the PAs are responding to, and suggested that an even more meaningful discussion could happen once the PAs have a chance to present the data. Rathbun noted that her concern is increased customer costs. Halfpenny noted that Loh's proposal to do some scenario planning makes sense. McDiarmid suggested that the Council make a bullet list, summarizing this discussion, of what we expect for July 1<sup>st</sup>.

Halfpenny asked if we need to rethink the gas model, in recognition of the pressures on gas – but is this achieving all cost-effective efficiency? Schlegel noted that 2012 is the 4<sup>th</sup> year of the original ramp-up, and that there's more that can be done than 1.02%. Rathbun asked if the 1.1% in the MTM is a reasonable number for 2013 and beyond. Halfpenny asked for an explanation of how EM&V results make it back to program design. Schlegel indicated that the Consultants can do a webinar on EM&V study results, and Lyne noted that the PAs can present on EM&V results at the next Council meeting. Walker asked the Council to be mindful of specific characteristics of the service territories, and said that the Plans are reflective of economic conditions in each individual PA territory.

McDiarmid discussed a draft document that summarized the discussion on what the Council wants to see in the 3-year plans. All Councilors reviewed and edited the document in real time. Lyne asked if there are specific things from the January Council meeting that you want included in the Plan. Rathbun asked if it would be reasonable to ask Councilors to review the document and get back to the PAs in next couple of days on any high priority items. Halfpenny requested that Councilors respond to her, and then she would respond to the PAs. Rathbun asked for Action Plans to be included so that Council

has a good sense about when things are proposed to happen. Loh agreed that Action Plans would be very helpful, for example for Community Outreach. White commented that the PAs are not sure they're going to be able to address everything the Council is putting forth. Halfpenny explained that it's ok if it's not all able to be done by July 1<sup>st</sup>. This document is the 'Sense of the Council', she clarified, not a resolution.

### **Critical Path Timetable – Expectations for Council**

Schlegel showed the near-term schedule that the Consultants developed, noting a full draft of the 3-year plans from the PAs on July 2<sup>nd</sup>, with a review of the draft plans by the Consultants July 2<sup>nd</sup>-9<sup>th</sup>.

### **July, August Meeting Schedule**

Halfpenny proposed the idea of adding a July 23<sup>rd</sup> meeting. The Council approved. She also confirmed the August 7<sup>th</sup> meeting, 2-5pm.

### **Codes Review – DOER, PAs**

Ian Finlayson (DOER) presented a set of slides reviewing codes/standards work in MA. Vohra presented a set of slides on PA involvement with codes and standards. She noted that DOER and PAs started working together on this in 2011, and that the PAs are proposing that they play an active role in encouraging adoption of and compliance with more stringent building energy codes and appliance standards. She noted that the PAs are awaiting results of many ongoing studies. Vohra said the PAs think they can provide support going forward in the following areas: Compliance support for base code, Stretch code development support, Compliance support for stretch code, and Advocacy and market assessment for base code. She noted that now is an opportunity for PAs to be more strategic in the codes & standards world.

### **Adjourn**

Halfpenny adjourned the meeting at 5:19.