



Memorandum

To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date 7 May 2012
Subject Monthly Report – April 2012

The Consultant Team is pleased to provide this monthly update to the Council on our recent activities.

Highlights from the Advisory Groups

Planning & Analysis Advisory Group

- Continued discussions of planning and analysis activities and reviewed drafts of documents for the initial stages of the development of the next Three-Year Plans (2013-2015), including for the assessment of EE potential, the development of savings and benefits goals, and the estimation of future program costs.
- Met with the PAs to discuss and consider the key components of the next Three-Year Plans, including savings and benefit goals, key program enhancements and strategies to support the Council's priorities, program costs and bill impacts, and performance incentives. Provided input to the PAs regarding the development of the Initial Draft of the Three-Year Plan due on April 30th.
- Working with the Residential and C&I Advisory Groups, developed initial estimates of future savings and costs, using a "bottom-up" approach (program level data), to inform the development of the overall savings goals and overall program budgets for the next Three-Year Plans. Compared savings and cost estimates with the PAs and analyzed initial savings and cost estimates from the PAs.
- Developed initial estimates of future electric and gas EE program costs and cost ranges, using the 2010 and 2011 reports, the 2012 MTMs, and recent market analyses (including the Point 380 study), and added the cost data and estimates to the EEAC consultant report on the assessment of EE potential. Presented the cost information to the Council at the April meeting.
- Reviewed and analyzed past performance as represented in the 2011 preliminary year-end estimates and Q4 quarterly reports, including the achievement of the 2011 year-end savings and benefits goals and other Council priorities. Reviewed 2010 performance through review and analysis of the 2010 Annual Reports, and reviewed the recent performance goals in the 2012 Mid-Term Modifications (MTMs).



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- Developed additional analysis, and reviewed the proposals from the PAs and others, regarding the DPU EE Guidelines NOI on net savings and environmental/carbon compliance costs for the consideration of the Council and individual Councilors, as directed. Further analyzed the net savings topic including options for addressing the issues, and summarized the issues for councilors at the EEAC meeting in April. Continued to review and comment on options and alternatives for determining net savings, developed by the PAs and others.
- Analyzed the target and earned performance incentives in 2010 and 2011, considered potential revisions to performance incentives and metrics for 2013-2015, and began work on a briefing package on performance incentives to be presented to the Council at a future meeting.
- Reviewed the 2012 dashboard monthly reports and trends.
- Reviewed and commented on a PA proposal to revise the format of and template for the quarterly reports.
- Provided data, technical assistance, and support for the development of the Annual Report to the Legislature.

C&I Advisory Group

- Continued limited engagement with the PAs on their draft codes and standards plans, including providing comments on an initial draft plan, and participation in EM&V working group to develop a plan for how to estimate, track, and claim savings and attribution.
- Reviewed an early draft of C&I program narrative portions of the 3-yr plan and provided comments to the PAs. Continued discussions with PAs around strategies for the next 3-years and level of specifics and commitments appropriate for the plan. We expect more engagement over the summer after the initial April 30 draft filing to reach consensus on a complete plan by October.
- Participated in C&I Subgroup to develop new NTG factors to support new savings basis proposal.
- Developed bottom-up analysis of C&I sector savings and budgets to support C&I goal and budget negotiations.
- Participated in EM&V Large CI meeting via teleconference at which we discussed issues with completing the lighting impact evaluation, putting off the impact evaluation of HVAC until next year and provided recommendations about expansion of the focus of the VFD evaluation to include quantification of the losses associated with the drives.
- Provided preliminary review of C&I lighting impact evaluation including inquiry about the very different coincidence factors in the MA Large CI lighting evaluation in comparison with the widely used CFs from NEEP funded lighting coincidence factor study. The evaluation team agreed to proactively address these issues in their analysis and reports.

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- Engaged in some initial conversations with a regional foundation on a funding/developing a collaborative PA and municipality effort to support Massachusetts energy efficiency goals, in full recognition of the current record and experience in this area.
- Engaged with Rocky Mountain Institute and New Buildings Institute to determine if there is a potential fit for the PAs with the RMI Retrofit Challenge, an initiative to "help participating owners set the foundation for rolling out energy efficiency measures and retrofits throughout their portfolio, providing targets, best practices and other strategies for screening, phasing, and implementing improvements more deeply and cost effectively."
- Continued discussions with Healthcare without Harm regarding PA response to 3-year Plan input and potential next steps.
- Participated with PAs in C&I upstream evaluation scoping discussion.
- Continued discussions with CA Upstream HVAC program implementer on bringing program model to MA. Organized webinar for residential and evaluation teams. Consultant team is encouraging a comprehensive upstream HVAC program that includes heating/cooling and gas/electric measures.

Residential Advisory Group

The Residential Advisory Group covered key program areas by engaging with several working groups and on several topics.

- **General:** Engaged the PAs on high level Residential Sector issues at the bi-weekly Residential Management Committee (RMC) meeting, including on behavior-feedback programs, community-based outreach, retirement of old boilers, upstream HVAC, EE for renovations, DER-HES integration and deeper measure manual, and Three-year planning. Updated "Residential Vision Paper", based on additional input from the RMC and stakeholders, outlining a vision of where the Massachusetts residential programs could be in three years. Communicated with the DOER Residential Team, at their weekly calls, about residential sector issues. Participated in weekly EEAC Consulting Team calls and bi-weekly RES Consulting Team coordination calls.
- **Home Energy Services:** Participated in the HES working group meeting, and reviewed and monitored progress of the Contractor Best Practices group.
- **Multifamily:** Participated in the Multifamily working group meeting to discuss 3-year planning.
- **Products:** Participated in Working Group meeting to discuss Three-year planning including consideration of TopTen USA, ENERGY STAR Most Efficient, super-efficient dryers, etc. Continued to participate in discussions with PAs, NEEP and D&R (market lift contractor) on implementation of a market lift pilot for lighting. Circulated final memo on calculation of LED lifetime savings to properly incorporate impact of 2020 EISA federal lamp standards. Attended DOE invitation-only LED workshop and participated in NEEP advanced power strip webinar.



- **HVAC:** Participated in several calls with PAs to address HEHE savings basis. Developed and circulated list of proposed Three-year Plan opportunities and issues to inform upcoming meeting with HEHE sponsors. Directed questions to Cool Smart sponsors regarding 2012 ductless split incentive levels. Participated in webinar on possible MA and RI HVAC upstream effort and in NEEP heat pump water heater (HPWH) webinar.
- **Residential New Construction:** Drafted and circulated a white paper on the future of what was called the “Major Renovations Pilot;” successfully developed the case to add what is now called the “Remodeling/Renovation/Additions Initiative” to the HES Program in a white paper and through PA discussions. Researched and developed “Duct and Envelope Tightness Verifier” white paper to prepare the PAs for home performance testing in the next version of the energy code. Participated in several JMC calls to discuss new RNC initiative approaches, next steps for pilots and Three-year planning April 30 filing language. Reviewed and commented on TRM measures to prepare for Three-year planning screening.
- **Codes & Standards:** Reviewed and commented on the next draft of the PAs Codes & Standards Plan in preparation for a final draft to be submitted to DOER.
- **Low Income Retrofit & Multifamily:** Participated in the Low Income Best Practices working group meeting, and reviewed and monitored progress of the Low Income multifamily working group.

Evaluation, Measurement & Verification Advisory Group

- **Overall EM&V Framework:** Addressed the following issues at the 2nd meeting of the recently formed Evaluation Management Committee: potential improvements in the approach to allocating annual EM&V budgets across programs and sectors; development of annual report; further refinements to proposed changes in the statewide EM&V administrative framework for 2013-2105; mechanisms for stakeholder input; and how to streamline data requests from EM&V contractors.
- **Evaluation Planning:** Continued work with the PAs to establish a proposed evaluation framework for codes and standards support programs. Finalized evaluation framework for the residential lighting market lift pilot.
- **Evaluation Implementation:** Initiated close involvement in the job creation study being performed by the New England Clean Energy Foundation, which is classified as an EM&V study but had inadvertently moved into the implementation stage without involvement by the EEAC consultants. Moved forward some 25-30 studies currently in the field and scheduled for completion by June 2012, including: C&I NEBs study; C&I code compliance study; LCI process evaluation and market characterization study; 2012 behavioral evaluations; a number of C&I impact evaluations; residential lighting market characterization research; impact evaluation of the Home Energy Services program; a combined impact and process evaluation of Low-Income programs; and a process evaluation of multi-family programs. In support of a residential metric, oversaw the performance of 12 focus groups with roofing, siding and general renovation contractors to assess their contribution to HES.
- **Evaluation Reporting:** Reviewed and commented on numerous EM&V reports including: final residential lighting consumer survey report; final C&I code compliance interim report; final 4-8 story MF



pilot; draft of Large C&I custom lighting impact report; draft of MF process evaluation and LI process evaluation; and draft small C&I lighting controls impact evaluation.

- **Other Activities:** Attended portions of meetings of the RMC and MA PA group focusing on EM&V issues. Provided EM&V-related input into the savings basis NOI process. Met twice with the PAs and LEAN to discuss contested issues regarding the application of the results of the 2011 LI/Res NEBs study. Drafted language on EM&V for the 2011 Council report to the legislature. Participated in discussions on revisions to the TRM.

Upcoming Activities

The sections below detail expected project efforts in the coming month. A two-month calendar of significant milestones and events appears after the Advisory Group summaries.

Planning & Analysis Advisory Group

Three-Year Plan activities continue to be the major focus of nearly the entire Consultant Team. Some of the specific tasks we anticipate are:

- Continue analysis for the development of the 2013-2015 Three-Year Plans.
- Review the Initial Draft Three-Year Plan (due April 30th) in May and June. Conduct analysis and draft comments for review and consideration by the Council. This will be the primary Planning & Analysis task during these two months.
- Meet with the PAs to discuss and consider the key components of the next Three-Year Plans, including savings and benefit goals, key program enhancements and strategies to support the Council's priorities, program costs and bill impacts, and performance incentives.
- Develop and analyze options and approaches for performance incentives, overall incentive levels, and the performance incentive mechanism details for the next Three-Year Plans. Provide a briefing on performance incentives and future options to the Council.
- Support the EEAC by continuing analysis and work on the DPU EE Guidelines NOI regarding net savings and environmental/carbon compliance costs, as directed by the Council. Follow up with the PAs and Council including on any Council documents. Participate in any additional discussions or follow up as directed, including in meetings with the PAs and others to resolve any remaining differences.
- Participate on behalf of the Council in any other DPU 08-50 processes, including the upcoming bill impacts session at the DPU, as scheduled and as assigned.
- Review, compile, and comment on 2012 quarterly reports and the dashboard monthly reports and trends.



C&I Advisory Group

- The C&I Advisory Group will be focused on reviewing the April 30 3 Year Plan draft, including continued analysis of C&I savings/goals budget options. Additional engagement with the PAs to reach consensus on a complete plan by October.
- Continued work on program options and initiatives within programs.
- Work with the PAs on developing details on streetlights and upstream programs.

Residential Advisory Group

- General: Engage with the PAs at the RMC on Three-year planning activities. Use updated "Residential Vision Paper" as springboard for Three-year planning discussions on specific residential program enhancements.
- Behavior-Feedback: Discuss EM&V results and recommendations, and engage PAs on strategy for Three-year plan.
- Home Energy Services: Engage PAs on Three-year planning and provide feedback on proposed program designs, savings and budgets.
- Multifamily: Engage PAs on Three-year planning and provide feedback on proposed program designs, savings and budgets.
- Products: Continue to work with PAs, NEEP, D&R, and Council evaluation consultant (R. Pahl) to implement market lift model. Engage PAs on Three-year planning and provide feedback on proposed program designs, program savings and budgets.
- HVAC: Continue to work with C&I Consultants and PAs to develop upstream HVAC implementation model. Develop revised gas/electric HVAC integration plan. Engage PAs on Three-year planning and provide feedback on proposed program designs, savings and budgets.
- Residential New Construction: Continue to work with PAs on initiative design modifications (prescriptive/checklist approach, mid-rise multifamily and advanced lighting and controls) in anticipation of rising baselines with the new energy code. Incorporate findings from baseline study (due in May) into Three-year planning process. Engage PAs on Three-year planning and provide feedback on proposed initiative designs, savings and budgets.
- Codes & Standards: Continue to work with PAs to review and provide feedback on initiative approach, design, integration with DOER code efforts and savings attribution methodologies.

EM&V Advisory Group

- There are a large number of EM&V projects nearing completion, and we expect much of our effort over the next 1-2 months to be focused on overseeing the development and finalization of reports. Because

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impact evaluations need to be finalized by June 1 in order for the results to be incorporated into the 2011 annual reports, they are likely to be prioritized for completion in May, with the completion of market assessment and process evaluations being the primary focus in June. All told, we estimate that somewhere between 15 and 20 studies will be finalized in May, with a majority of remaining in-progress studies being completed in June.



May 2012

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
	1 QIV Certification <small>(see schedule for locations)</small>	2 QIV Certification	3 QIV Certification	4
7	8 EEAC Council Meeting QIV Certification	9 QIV Certification	10 QIV Certification	11
14	15 Appreciative Inquiry Summit QIV Certification	16 Appreciative Inquiry Summit QIV Certification	17 QIV Certification	18
21	22 QIV Certification	23 QIV Certification	24 QIV Certification	25
28	29	30	31	



June 2012

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
				1 EE Conference and Expo, Intercontinental
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29