

Memo

To: **EEAC**
From: **Eric Belliveau and the EEAC Consultant Team**
Date: **September 24, 2015**
Subject: **August Monthly Report**

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

SUMMARY OF MAIN TASKS COVERED IN EACH SECTION OF THE REPORT

EM&V

- Working with the PAs on a semi-final draft of the Strategic Evaluation Plan (SEP) for 2016-2018
- Advancing toward completion ~25 currently in the implementation stage
- Finalizing reports of four studies and reviewing draft reports for approximately eight more studies
- Providing EM&V input on processes and deliverables including analysis of proposed savings goals, key drivers analysis, PA-specific savings potential studies, and the savings accounting methodology for codes and standards support efforts in 2016-2018
- Completed and releasing a new Residential EM&V RFP

PLANNING & ANALYSIS

- Preparing for, attending, and providing technical support for the EEAC and ExCom meetings
- Analyzing the PAs' April 30 Draft Plan for 2016-2018 and potential revisions to the Draft Plan
- Providing technical assistance to councilors to support the 2016-2018 Plan term sheet discussions
- Reviewing and analyzing the "key drivers" of the differences in savings and costs between the PA Draft Plan and the Consultant analysis, and providing updates as a result of discussions and review with the PAs

RESIDENTIAL AND LOW INCOME

- Analyzing cost drivers for the 2016-2018 Plan, including reviewing information from the PAs, preparing and revising savings and cost assumptions, and preparing updates to DOER and the Council
- Working with PAs to revise 2016-2018 Plan assumptions specific to lighting
- Providing assistance to the PAs on building code interpretation related to attic insulation
- Reviewing and providing input on lighting-specific EM&V work products

COMMERCIAL AND INDUSTRIAL

- Analyzing cost drivers for the 2016-2018 Plan, including reviewing information from the PAs, preparing and revising savings and cost assumptions, and preparing updates to DOER and the Council
- Reviewing and commenting on the National Grid Potential Study
- Researching content for and writing a memo on improving energy productivity
- Researching content for and writing a memo on innovation

TECHNICAL SERVICES

- Continuing regular administrative functions, including EEAC meeting minutes and website maintenance and document uploads

EVALUATION, MEASUREMENT & VERIFICATION

Oversee EM&V Planning

The group worked with the PAs on the semi-final draft of the 2016-2018 Strategic Evaluation Plan (SEP). Activity in August focused on expanding discussion of the overall strategic approach in each research area and pinning down details for a large number of individual studies that have been proposed for the first half of the 2016-2018 program cycle. Write-ups on many of these individual studies will be included in the semi-final draft of the SEP due on September 23. Because the SEP is primarily an overall strategic document, it is not the intention that all individual studies to be performed in the 2016-2018 period will be specifically written up in the plan. Rather, individual study write-ups are expected to focus on those studies to be performed early in the cycle.

Oversee EM&V Study Implementation

The Group advanced toward completion roughly 25 studies currently in the implementation stage. A few examples include the following studies: C&I On-Site and Market Share; Minisplit Field Monitoring; 2014 C&I customer profile study; and Residential Single-Family New Construction Baseline and Code Compliance study.

Oversee EM&V Reporting

August proved to be another active month for final EM&V reports. Working with the PAs, the group finalized reports for four studies, and reviewed draft reports for approximately eight more studies. Most of these final EM&V reports are expected to be included with the final Three-Year Plan filing.

EM&V Policy Issues

The Group provided EM&V input on a number of broader processes and deliverables, including analysis of proposed savings goals, key drivers analysis, PA-specific savings potential studies, and the savings accounting methodology for codes and standards support efforts in 2016-2018. The group also neared completion of the process of refining the savings parameter assumptions to be incorporated into the Three-Year Plan based on recent impact evaluation results. Lastly, the group continued to work with the EM&V Forum on a pilot effort aimed at eventual regional standardization of summary impact reporting for regulatory agencies.

Miscellaneous Activities

The PAs and the EEAC EM&V consultants completed and released a new Residential EM&V RFP. The RFP will be used to select one or more new residential EM&V contractor teams for the next three years.

PLANNING AND ANALYSIS

In August 2015, the Planning and Analysis (P&A) Advisory Group focused on the primary tasks described below to support the effective implementation of the key components of the 2013-2015 Three-Year Plan, and to assist with the development of the 2016-2018 Three-Year Plan. The Group's primary tasks were the continued review of the PAs' April 30 Draft Plan, the continued analysis of the "key drivers" of the differences in the savings goals and costs between the PA Draft Plan and the Consultant analysis, and technical assistance to councilors to support the 2016-2018 Plan term sheet discussions.

Participate in EEAC Meetings; Brief and Support the Council

The P&A Advisory Group prepared for, attended, and provided technical support during the meetings of the EEAC and ExCom during the month. The Group coordinated with DOER as chair of the Council on a weekly basis, and briefed individual Councilors in advance of the EEAC meeting and during the month (the substantive issues and outcomes are summarized in the task descriptions below). EEAC Meeting and Council support is on-going and is a regular monthly task area.

Support the Council on Regulatory Issues and DPU Proceedings

The P&A Advisory Group analyzed the effects of the prior MTMs from the PAs on the proposed Plan for 2016-2018.

Provide Technical Analysis

The P&A Advisory Group reviewed materials from the ISO-NE EE Forecast working group meeting.

Input and Analysis for the 2016-2018 Three-Year Plan

The P&A Advisory Group continued reviewing and analyzing the Draft 2016-2018 Plan prepared by the PAs and received on April 30. The P&A Group also provided technical assistance to councilors to support the 2016-2018 Plan term sheet discussions. As part of the review and technical assistance, and collaborating with the PAs, the Group analyzed the “key drivers” that account for and cause the differences in savings and costs between the PA Draft Plan and the Consultant analysis. The Consultants recommended options for increasing PA-proposed savings and reducing PA-proposed costs. The Consultants also considered and made adjustments to the inputs and assumptions in the Consultant savings estimates based on coordinated analysis with the PAs. Much of the key drivers analysis in August focused more on drivers of costs to achieve, while continuing work on how to increase savings. The Consultants presented updates and results to date during the August EEAC meeting.

The Group coordinated and compared notes with the PAs on other cross-cutting Plan topics, including demand savings, demand response, and costing periods for cost-effectiveness analysis (winter and summer, on and off peak) related to the AESC study supplement. The P&A Group reviewed and commented on a draft of the PA presentation on peak demand. The Group also reviewed and explored options for performance incentive levels and design for the 2016-2018 Plan.

RESIDENTIAL AND LOW INCOME SECTORS

In August, the Residential Advisory Group’s primary focus was on cost drivers as part of 2016-2018 planning activities. This work and the Group’s other August efforts are described more fully below.

Input and Recommendations for the 2016-2018 Plan

In August the Group shifted its focus from key savings drivers to key costs drivers in the 2016-2018 draft Plan. The cost drivers work included preparing cost-related information requests to the PAs, data analysis and summaries to support examination of initiative-level cost drivers and PA differences, and comparison and review of PA budget tables. In addition to reviewing cost drivers, the Group continued its working on lighting savings in the draft 2016-18 Plan, including conducting discussions with the PAs on lighting initiative assumptions for LED program share, total unit numbers, and incentive levels. The group also provided a high level assessment of codes and standards impacts on the PAs’ projected Plan savings. The Group contributed to the Consultant Team’s memos and presentations to the Council in August. This included updates on savings goals discussions with the PAs and more detailed residential cost information, including a comparison of the Consultants’ assessment of costs vs. the PAs’.

Home Energy Services

The Group continued its work on a revised interpretation of the building code regarding attic insulation that has significant implications on PA budgets with little savings benefits. The Group compiled information to support further discussion with the PAs at the August 26 RMC meeting and shared that information with DOER.

Residential Products

The Group supported several product-related EM&V efforts, including reviewing and commenting on the draft lighting incremental cost study and reviewing and commenting on the Lighting Market Adoption Model (MAM), including a call with the PAs to discuss modifications to the MAM. It also compiled information for the PAs related to condensing boiler installation and installation best practices for HVAC equipment. The latter supported a discussion at the August 26 RMC related to a contemplated change in HEAT Loan eligibility criteria.

COMMERCIAL AND INDUSTRIAL

Input and Analysis for the 2016-2018 Three-Year Plan

This task accounted for most of the C&I focus in August. The Group spent a significant amount of time working

through the key driver process with a shift in focus from savings to costs. The Consultants researched specific drivers, organized and led calls and meetings with the PAs, and kept the DOER informed through e-mails and calls. Additional time was spent to review and comment on the National Grid C&I potential study.

Approaches for Increasing Energy Productivity

The C&I Advisory Group continued research on behavioral and Strategic Energy Management/Continuous Energy Improvement programs, worked to better understand the SEMP/MOU process as implemented in Massachusetts, and continued writing a forthcoming memo on this topic.

Incorporate Feedback from EM&V into the Programs

In August, the Group reviewed relevant EM&V studies as necessary.

Innovation

The Group continued work on a memo for the Council that will review current training practices in Massachusetts, geo-targeting for reducing demand, and upstream best practices.

Comprehensive Segment Strategies

The C&I Group participated in CIMC meetings and calls.

TECHNICAL SERVICES

Produce Minutes from all EEAC Meetings

The Consultant Team is charged with producing draft and final meeting minutes for each EEAC monthly meeting. The Team produced draft minutes for the August 18 EEAC meetings and forwarded them to the EEAC Chair. The EEAC Chair reviewed the minutes and had them posted on the EEAC website. The EEAC approved July 14 and July 21 meeting minutes at their August meeting. These minutes along with all documents and presentations distributed at the August 18 meeting have been posted on the EEAC website at <http://ma-eeac.org/august-18-eeac-meeting/>.

EEAC Website Upgrades, Revisions & Maintenance

Consultant Team staff continue to manage the updated website on a day-to-day basis. In July, this included posting materials for the August 18 EEAC meeting and other meetings that occurred during the month.

For the month of August 2015 there were:

- 1,699 sessions
- 1,140 unique users: 54.1% new visitors and 45.9% returning visitors
- 3,898 page views with an average of 2.3 page views per session

Produce the Annual Report to the DPU and Legislature

In August, a draft of the 2014 Annual Report continued through the revision and approval process. The Consultant Team expects to finalize the report in late September or October.