



To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date 3 April 2014
Subject March Monthly Report

The Consultant Team is pleased to provide this update to the Council on our recent activities. This report structure mimics our workplan task categories. Each bold heading represents a workplan time reporting category.

High Priority Items for Council Consideration

Aside from the material to be presented at the April Council Meeting, there are no additional items that we feel need Council attention at this time.

Evaluation, Measurement & Verification

In March, the EM&V Advisory Group continued its recent focus on working with the PAs to implement the overall 2013-2014 EM&V plan submitted to the Council last October. The EM&V program is now in high gear, with an unprecedented volume of research under way, and significant activity in all three major phases (EM&V planning, implementation and reporting).

Oversee EM&V Planning

Completed the planning process and entered the implementation stage for several more studies, including the Residential Lighting Net-to-Gross study. Moved a number of studies currently in the planning stage toward the starting gate for implementation, including the following: C&I Supply-Side Characterization, Non-Residential New Construction NEBs, Multi-Family New Construction Baseline, and Codes and Standards Cross-Cutting Support studies. Began development of one new study that was not identified in the 2013-2014 evaluation plan, but which was recently requested by PA program managers: a fast-turnaround process evaluation of the new C&I Upstream HVAC program. Oversight is a continuous process and work area for the EM&V Advisory Group.

Oversee EM&V Study Implementation

Advanced toward completion roughly 35 studies currently in the implementation stage. Virtually all of these are studies that were identified in the 2013-2014 Evaluation Plan and entered the implementation stage over the past few months. A few examples include the following: the HES Program Delivery, HEAT Loan, Low-Income HOU, Minisplit, C&I Existing Buildings, Efficient Neighborhoods, LED Market Effects, Top-Down NTG, and Market Effects Framework studies. Again, this is a continuous process and a work area for the Group.



Oversee EM&V Reporting

Received, commented on, and processed with the PAs and evaluation contractors the following draft and final study reports:

- Draft reports: C&I NEBS Marketing, C&I Lighting Controls, LI Lighting HOU and Heating, C&I Whole Systems, Res Lighting Shelf
- Final Reports: Umbrella Marketing End-User, Regional Lighting HOU, T12 Phaseout interim report

Council and Stakeholder Engagement

Began development work on the first in a series of public EM&V webinars on individual studies, to be presented by the lead EM&V contractors. The webinar, focused on the C&I Mid-Sized Customer Needs Assessment, is to be held on April 3.

EM&V Policy Issues

Worked with other Consultant Advisory Groups to develop recommendations to Council regarding the Implementation Updates. Provided input to and participated in a regional conference call on the EM&V Forum's proposed new Impact Evaluation Study and Portfolio Summary Templates. Supported Res and C&I Advisory Groups in developing Deeper Dives into specific program areas. Began work on 2013 Plan-Year Report version of TRM.

Planning and Analysis

In March, the EEAC consultant Planning and Analysis Group focused on the primary tasks described below to support and push for the effective implementation of the key components of the 2013-2015 Three-Year Plan. This included conducting technical analysis and review, providing technical support for DPU proceedings, and reviewing and analyzing the 2014 Implementation Update.

Participate in EEAC Meetings; Brief and Support the Council

There was no Council meeting in March. Prepared for, attended, and provided technical support during the Executive Committee meeting on March 26. Briefed individual councilors in lieu of an EEAC meeting in March (the substantive issues and outcomes are summarized in the task descriptions below). Coordinated with DOER as chair of the Council on a weekly basis and with various Councilors on an ad hoc basis. EEAC Meeting and Council support is ongoing and a repeating monthly task area.

Support the Council on Regulatory Issues and DPU Proceedings

Provided technical support for DPU proceedings and regulatory processes. For the DPU 14-05 proceeding, reviewed the PAs' February 28 filing on the application of the 2013 AESC avoided costs to the 2014 and 2015 program years, the revised 08-50 data tables, the modified performance incentive models, and the PA proposal to eliminate



performance incentive metrics for 2014 and 2015. Analyzed the effects of the PAs' proposal to eliminate performance incentive metrics on the level of performance incentives proposed in the PA-modified models, by year and component, and identified some unintended consequences of the PAs' proposal, which would lead to a higher-than-justified allocation of performance incentive monies to the 2013 program year. Developed an initial draft framework for performance incentive metrics focused on deeper savings, supported with adequate, consistent, and meaningful data. Drafted analysis and comments used by several councilors involved in the DPU 14-05 proceedings. We are not aware of any specific further needs on these proceeding; the need for additional consultant team work will be dependent on DPU actions and Councilor requests.

Provided technical assistance for the DPU proceeding reviewing the PAs' 2011 and 2012 Annual Reports, with a focus on the reliability of the reported impacts and costs, the use of the evaluation results, non-energy impacts (NEIs), and the impact of the planning and reporting of NEIs on claimed performance incentives. Coordinated with individual councilors involved in the DPU proceeding and provided technical assistance on NEI, performance incentive, and reporting issues. Again, additional consultant team work will be dependent on DPU actions and Councilor requests.

Provide Technical Analysis

Answered inquiries from several councilors about the nature and timing of bill impacts. Reviewed the ISO-NE responses to stakeholder comments on the draft regional EE forecast, in advance of the March 31 ISO-NE meeting.

Monitored PA work on the development and implementation of a more effective and efficient interim approach to data and data management, to ensure reliable and internally-consistent data in the interim while the statewide database is being developed. We recommended that the interim data system should be in place in time for the review and analysis of the 2014 Implementation Update in late March, but the system is not ready as of April 2. The consultant team has not been tasked with any further Technical Analysis work at this time.

Track and Report on the Implementation Update and Planning Process

Reviewed, analyzed, and assessed the 2014 Implementation Update provided by the PAs on March 17. The Implementation Update is a combination of one-third looking back (2013) and two-thirds looking forward (2014-2015), which will support the Council in reviewing progress towards achieving the goals of the 2013-2015 Plan. The Implementation Update is being considered and reviewed by the Council in March and April 2014. Participated in the PA webinar on March 19. Identified and began work, coordinating with the PAs, on the 3 to 5 "deep dive" analyses. Prepared slides on our preliminary analysis and findings for distribution to the Council on April 2.

Select members of the Consultant Team reviewed and analyzed the 2013 Implementation Update and worked to identify appropriate topics for the PAs' "deep dives" for the Council. The deep dives will include detailed data and narrative on the most significant drivers of changes from the original plan values. We preliminarily identified lighting and multifamily as residential deep dive topics, and began work to develop the objectives for the deep dives and data required to achieve them. On the C&I side, we noted that C&I Retrofit Program is the program area driving the largest



departure from plan values and proposed that a deep dive on this program obtain and analyze data to understand the wide variability in PA performance as it explains changes in individual PA plan values. This cannot be done without detailed, up-to-date, and comparable data among PAs, and lack of this data remains a critical obstacle to identify best practices and improve overall statewide performance. The Consulting Team is preparing a memo to define this deep dive and the required data. This work will continue to be a strong focus in April. We also identified an error in National Grid's filing that significantly impacted costs; we worked with National Grid to resolve it.

Residential and Low Income Sectors

Residential Whole House and Low Income Programs

The Residential Advisory Group began its preparations for a discussion scheduled with the Council in June on Home Energy Services. A main focus was identifying data needed to support the desired analysis, and our focus has been coordinating with the EM&V Advisory Group to leverage data collection efforts for the HES Program Delivery Assessment Evaluation that is underway. In April, we will continue to refine the analysis and begin working with available information.

We continued to work to develop residential deeper savings performance indicators to track and assess the PAs' progress in achieving the Council's priorities. The Residential Advisory Group's work will be combined with similar work for C&I and will be provided to the Council in a memorandum in April.

On April 3, Advisory Group members are meeting with the PAs to discuss new approaches they are contemplating for deeper savings and offer our input. We will continue to track and report on these discussions, including in the topical presentation to the Council this summer.

Residential Products Program

We supported the residential products program by undertaking a series of discrete activities to monitor existing activities and assess possible future ones. These included monitoring YTD lighting activity relative to goals, continuing to follow progress on the PA's lighting bulk procurement for their direct install programs, and reviewing and providing comments on an NU analysis of ductless split heat pumps (DHP). Similar work is planned for April.

Innovative Strategies

We began to assess potential residential pilots/targeted initiatives and will be working in coming months to refine the initial list to identify those with the best combination of implementability and savings potential. Once our initial assessment work is complete we will be engaging with the PAs to share our preliminary work and assessment and collaborate on next steps.



Commercial and Industrial

As we outlined in an email to the Council in March, Gabe Arnold has left the team to pursue other opportunities. We are in the midst of reassigning work to existing team members. Jennifer Chiodo will be taking on the interim lead position and Eric Belliveau will be supporting her in the transition.

Deeper Savings in All Programs

Obtaining deeper savings in participant customer facilities is an important tool to achieve savings goals. In order to assess how the PAs are doing at increasing the depth of savings, we are working to establish a common understanding of depth of savings and the data needed to assess trends regarding PA achievements in obtaining deeper savings. In March, we drafted a memo detailing the background, rationale, definitions and proposed depth of savings indicators. The memo is cross-cutting in that it includes recommendations for both residential and commercial depth of savings indicators and data sources. The final memo will be issued in April.

Comprehensive Segment Strategies

In order to support the PAs as they seek to improve performance in C&I Retrofit, a key objective in the Consultant Team 2014 Workplan is to develop formal comprehensive segment strategies collaboratively with the PAs. During March we engaged with the PAs to request that the meeting be scheduled in April 2014.

In parallel with the strategic planning work, we are working to advance understanding of the opportunities in the priority areas for segmentation: healthcare, commercial real estate (CRE), manufacturing, and hospitality. To advance these areas, we took the following actions:

- Healthcare Best Practice Study – at the 3/19 CIMC the consulting team introduced this study and discussed the process, schedule, and roles with the PAs. The team is developing the scope and schedule for the study and kick-off is planned for April.
- CRE – Assigned Eric Belliveau as the consultant lead, to participate on the working group calls going forward.

Coordination and Partnerships

The team continued to maintain communication with stakeholders. We are working to facilitate communication and coordination between interested stakeholders and the PAs.

Innovative Strategies

Increasing the use of upstream incentives to more markets is expected to increase savings by removing the barriers of equipment availability and customer first cost. In March, the PAs undertook work to improve the performance of the upstream HVAC program including program level direct market research and an EMV process evaluation on the



program. Based on the findings from this research, the PAs intend to update the offering to address barriers to increased participation and uptake on the upstream HVAC measures. Expansion of upstream approaches beyond HVAC should follow the incorporation and validation of improvements to the upstream HVAC offerings.

PAs are integrating the pro forma tools into sales and we are monitoring their efforts.

The RCx best practices research culminated in scoring of 41 potential best practices by the PAs and consultants against agreed-upon criteria. The initial scoring was inconclusive, leading the team to refine the list of potential best practices down to 13 and revise the scoring system. The outcome of this exercise was a list of best practices with potential for application in Massachusetts. Consultants presented the process and results to the CIMC on 3/19 and there was an in depth discussion of other programs. One key question that arose was regarding the cost effectiveness of some of the approaches, which will be a research recommendation in the report. Began drafting the RCx Best Practice Memo, including recommendations for next steps, and will complete this work in April.

Achieve Greater Savings Earlier in the Year

No specific activities in this work area in March.

Monitoring, Coordination, and Cross-Cutting Tasks

Monitor and Advise Current Programs

The residential advisory group attended the Residential Management Committee meeting on March 19 and sought updates on the Efficient Neighborhoods+ evaluation and the upstream HVAC enhancement that is in the 3-year plan. The PAs shared that the EN+ draft evaluation report has been delayed until May 5 and that each PA is actively considering what a continuation of this initiative will include for them in 2014 pending the evaluation outcomes. The consultants advised that the input of the Residential Barriers Working Group will continue to be very important on this front, and the PAs agreed that they will seek to schedule a meeting of that group in mid-May to discuss the findings of the evaluation and what program changes those findings might prompt. Upstream HVAC is an approach that the consulting team feels has promise for both C&I and residential. The PAs updated on the ongoing assessment of a trial effort on the commercial front and reported challenges, especially with pricing. The consultants noted a residential upstream effort in CT that bears watching and will continue to monitor and support.

With the Consulting Team Work Plan now approved and the recent change in Consulting Team C&I leadership from Gabe Arnold to Jennifer Chiodo, the C&I Advisory Group focused their time in March on planning and strategizing implementation of the 2014 Work Plan under Jennifer's leadership. All work plan tasks, roles, and responsibilities have already been transitioned and Jennifer is hard at work to follow through with all C&I commitments. Consultants participated in the CIMC meetings held on March 5 and 19.



Coordinate with the Council on Programs and EM&V Results

The residential advisory group conducted a series of briefing on the residential and low income content of the consultants' 2014 work plan for interested members of the Council. Council members asked questions and provided input on issues of greatest importance to them. This input will be considered by the consulting team as it carries out the tasks of the work plan and in preparing analysis and recommendations for the three residential topics discussions with the Council this year.

The residential advisory group developed an example deeper savings performance incentive metric for inclusion in a memorandum sent to the Executive Committee of the Council in late March. The team stands ready to take up any work indicated by further direction from the DPU and Council.

The residential advisory group provided several sets of input on ongoing evaluation efforts to ensure appropriate consideration of residential issues. This included reviewing and providing comments on the codes and standards Phase 2 work plan, draft HES interview guide, and NEEP's Phase 4 Incremental Cost Study.

The residential advisory group met with DOER staff to discuss heating system analysis it would like the group to do to support its work on the Residential Conservation Services guidelines. In April, the scope of this work will be refined and the work undertaken.

The C&I Advisory Group reviewed the newly proposed NEB study workplan and engaged in discussion with the EM&V Advisory Group about whether the study will provide value that is comparable to the cost. Several members of the group do not believe it is worth the cost. The groups will bring these concerns to the Evaluation Management Committee in April for discussion.

Review and Assess PA Reports and Data

Followed up on the review and analysis of 2013 preliminary year end results, the assessment of multi-year trends, and the analysis of the effects of 2013 performance on the 2013-2015 Three-Year Plan, which we presented to the Council on February 25. Addressed questions from individual councilors and PAs resulting from the February 25 presentation to the Council. The next set of data requiring review will be the 2014 1st Quarter report, expected in May.

Support the Statewide Database

Continued dialog with Energy Platforms and DOER staff on the database development process and data requirements specification. In collaboration with DOER, reviewed three iterative drafts of the Statewide Database specification and provided substantial comments, edits, and new material. These included several on-line, collaborative reviews with extensive discussion and refinement to the specification. We also reviewed the companion Statewide Database vision document. The revised specification and vision documents will be distributed in advance of Statewide Database workgroup and subcommittee meetings, which will take place on April 4, which we will attend



in person. We expect that both documents will require further revision based on comments received at and after those meetings.

Prepare for the 2016-2018 Plan

No specific activities in this area in March.

Technical Services

Inventory and Organize Recurring Technical Services

This task consists of performing an inventory and organizing all current recurring technical services. This work is in the preliminary stages, with initial discussions having taken place with the Chair of the EEAC and Consultant Team members. In addition, we created a Microsoft Project file to begin the process of organizing and tracking all of the Consultant Team deliverables. The deliverable for this task is a process map and master schedule for all recurring technical services. The proposed due date for this deliverable per is May 1, 2014. Thus, the bulk of the work under this task will take place in April.

Produce Minutes from all EEAC Meetings

The Consultant Team is charged with producing draft and final meeting minutes for each EEAC monthly meeting. Draft minutes for the February 25, 2014 EEAC meeting were produced by John Livermore and forwarded to the EEAC Chair on February 28, 2014. The EEAC Chair indicated that she would review the minutes and distribute them directly to the EEAC prior to next EEAC meeting to be held on April 8, 2014. Once the February meeting minutes are approved by the EEAC they will be posted on the EEAC website.

Develop EEAC Logo and EEAC Website Upgrade

The Year 2014 Work Plan includes the development of a simple EEAC logo and an upgrade for the EEAC website. These two tasks are linked in that a new logo will provide a cohesive graphic marker for the new website. It was agreed that a small *ad hoc* group of DOER staff and EEAC members would provide a forum for these tasks at least so that options can be vetted and produce concise requests for Council approval. Work commenced on these tasks in March. A detailed task-by-task scope of work was put in place with Cahoots Design, the firm retained by Optimal to develop an EEAC logo and upgrade the EEAC website. Cahoots' scope of work was shared with the EEAC Chair prior to it being finalized.

An informal meeting was held on March 26, 2014. Cahoots used this meeting to gather information (audiences, relationships, messaging) to help frame the overall goals for the new logo and the website upgrade. Based on the information gathered at the kick-off meeting Cahoots will prepare and present a design brief for the EEAC logo. Feedback on the design brief will provide input to the development of 2-3 logo designs. The schedule calls for the logo to be finalized by the end of April.



A design brief along with a preliminary website map and recommendations about platform and technical approach for the EEAC website upgrade will also be prepared in April. The overall website upgraded design is scheduled for review and approval in early May. The launch of the upgraded website is scheduled for the middle of June.

Revise the Consultant Team Monthly Report

The EEAC requested that the Consultant Team Monthly Report be revised to provide a clearer connection between our efforts and our tangible outcomes and work products. A new monthly report format was developed in March. This report is based on the new design. This new report setup is intended to be task and deliverable driven. We incorporated EEAC feedback on the new format into an approved final monthly report format.

Produce the Annual Report to the DPU and Legislature

The production of the Year 2013 Annual Report to the DPU and legislature was included in the Year 2014 approved Year 2104 Consultant Team work plan. A template will be created that makes each year's report consistent with past reports and simplifies the process of updating and producing the report in a timely fashion. The template will be used to develop the Year 2013 Annual Report. We will coordinate the contributions of the PAs, DOER, and other stakeholders to ensure that the Annual Report reflects the collaborative nature of energy efficiency accomplishments in Massachusetts. An initial meeting between DOER staff and Consultant Team members was held on March 26. We anticipated that Cahoots Design will assist with this process. As such a detailed scope of work and schedule will be developed both to create the report template and produce the actual Year 2013 report. This scope and schedule will be agreed to by the end of April.