

**Commercial and Industrial
Programs:
Design and Implementation of the
PA Plans**

Council C&I Consultants

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Who We Are: The C&I Consultants

- **Doug Baston**, Team Lead
 - Manages commercial programs for Efficiency Maine and consults to the RI Energy Efficiency & Resource Management Council, and program operators in Delaware, California, Florida, New Brunswick and Nova Scotia
- **Phil Mosenthal**, EEAC Contract Manager
 - 25 years experience consulting on planning, program design and implementation of EE programs throughout the U.S. and Internationally. Senior member of MA team since 1998.

Consultant Focus in 2009 was Developing the 3-Year Plans

The Plans reflect:

- Aggressive – unprecedented – savings goals
- A construct for gas/electric program integration and seamless delivery across PAs
- A commitment to go both “deeper” (more comprehensive) in buildings; then “broader” (more customers participating) in the market

But, Plans are just that...

Challenge in 2010/2011 will be: Turning Commitments to Results

These commitments break new ground:

- No state has achieved and maintained these levels of savings
- The ramp is steep — 67% savings increase 2009 to 2010
- No other program has successfully “gone deep” in commercial buildings in any scale
- Seamless statewide programming challenges organizations and will require fundamental reorganizations and new strategies
- Financing through new means will be required
- Outside factors, the economy, competing programs, etc. will compound difficulties
- While the commitment is made, the roadmap to achieve these plans is not yet determined

The Positive:

- The basic architecture of the Massachusetts programs is solid: time-tested, honed, and proven effective
- Massachusetts programs continue as a major point of reference for many new program developers
- We believe the foundation will bear the weight: They are scalable to meet the challenge
- Key C&I program managers are experienced and dedicated
- Talented new staff and contractors have been hired

High Priority C&I Work Plan Areas for 2010

- Gas-electric and cross-PA integration and single-point of contact, seamless delivery
- Small business direct install changes
- Large retrofit program changes
- New construction/lost opportunity program changes
- Combined heat and power
- Multifamily program development
- Pilot and Community-based Initiatives

Gas/Electric Integration

- Develop “single point of contact” protocols, when there is a mix of integrated and single fuel utilities and a complex overlap of service territories.
- Develop common set of program implementation rules and terms & conditions.
- Integrate gas and electric measures into single set of common prescriptive applications, and analyze potential new measures for promotion.

Gas/Electric Integration , cont.

- Develop common criteria and methods for analysis of cross-fuel measures and measure screening tool for custom projects.
- Developing common savings assumptions (TRM).
- Develop cost allocation, financing, measure funding, data tracking, and other cross-PA procedures, and the coordination among them.

Small Business Direct Install

- Identify, analyze and screen appropriate gas measures and integrate them into the common electric program design.
- Harmonize all PA variations (co-pay levels, customer size limitations, financing, measures, etc.) within common statewide program
- Modify delivery contracts to facilitate full integration and create incentives for comprehensive, multi-fuel delivery, and develop mechanism for installing 'custom' measures.

Small Business Direct Install, cont.

- Train contractors in delivery of gas measures and new electric measures.
- Develop mechanism to provide on-bill financing for gas measures, and repayment schemes across multiple PAs
- Develop and implement on-bill financing where not currently offered
- Research and develop 'mid-tier' DI option in 300-750kW range
- Develop and pilot 'Main Street' DI project for 'micro' customers

Large C&I Retrofit Program

- Complete working group activities to prepare for statewide program launch
- Integrate gas and electric program services and products
- Development mechanisms to provide single-point-of-contact integrated services coordinated across PAs
- Attain consistency in program design, delivery, materials and procedures statewide across all PAs
- Assist in development of, and monitor implementation of, statewide marketing plan.

Large C&I Retrofit Program, cont.

- Develop plans to go ‘deeper’ among retrofit participants, and monitor the implementation of the plans, including focus on commitments to ‘deeper’ savings through Whole Building Approach, Lab & Data Center Initiatives, etc.
- Monitor implementation and propose midterm corrections to improve design and delivery
- Development of new program initiatives.
- Monitor performance against metrics requirements

New Construction/Lost Opportunity Program

- Monitor/assist as PAs implement commitment to fold separate gas and electric programs/incentives into a single, integrated delivery and incentive structure statewide.
- Assist PAs in modifying programs to achieve single, consistent statewide initiative, including development of incentives and measure eligibility criteria, TA services, terms & conditions, etc.
- Develop criteria for assessing consistent savings (e.g., TRM)
- Assist with scoping and development of market assessments, and program revisions based on market data.

New Construction/Lost Opportunity Program, cont.

- Monitor and assist with commitments to ‘deeper’ savings in new construction through Advanced Buildings, Office of the Future, Comprehensive Design Approach, etc.
- Pursue analysis and development of upstream initiatives as appropriate, including lighting and HVAC.
- Coordinate w/MF new construction program.
- Develop strategies to support stretch codes and code training and compliance.
- On-going monitoring of technology advancement and promotion of all cost-effective opportunities.

Combined Heat & Power

- Electric utility involvement with CHP is new this year, and will take time to develop fully. Tasks include planning, program design, and implementation support:
- Develop systems to coordinate across PAs to promote cost-effective CHP, and educate market of current services.
- Integrate CHP into whole building approaches.

Combined Heat & Power, cont.

- Establish cost-effectiveness screening and savings criteria, and develop monitoring, verification and evaluation methods and systems.
- Develop CHP initiative including establishing parameters for program services and products, terms and conditions, etc.
- Develop policies around self-generation, demand response, non-gas CHP, biomass, emissions, APS, M&V, etc.

Multifamily Program

- Development and implementation of new program (Do, Learn, Adjust).
- Maintain focus on 'deeper' savings.
- Develop methods for coordination and integration with C&I and Low Income MF programs as appropriate.
- Monitor progress, costs and savings and suggest midcourse corrections as appropriate.

Pilot Programs (partial list)

Develop and monitor implementation of:

- Main Street/Micro Business pilot
- Research 'mid-tier' DI option in 300-750kW range
- Introduce flexible term, positive cash flow, on-the-bill financing
- Work on Stretch-code town strategies
- Integration with, and leveraging of, Green Communities efforts, Community-based activities, etc.

C&I Managers Working Group

- The main forum for addressing and resolving higher level policy, planning and program issues (intra-PA coordination, program design, gas/electric integration, performance incentives, savings goals, and implementation policy).
- Directs and receives work products from intra-technical working groups (e.g., lighting, HVAC, Small DI, CHP, etc.).
- Establishes short-term, task-focused intra-utility teams, as needed.
- Consultants have been coordinating activities of the working group, shaping the agenda, and advocating for the EEAC's interests.

Conclusions

- The Plans provide a strong foundation. However, devil is in the details, and there is a lot to do to ensure success.
- This unprecedented effort to achieve the Council's aggressive savings goals and to set the stage for ramping up in years 2 and 3 will require all hands on deck.
- The C&I Consultants bring a broad range of experience and expertise to the table.
- The C&I Consultants on-going engagement with the PAs ensures the Council's representation and interests are always 'top of mind.'
- We can't afford not to get this right.