



## Memorandum

To EEAC  
From Eric Belliveau and the EEAC Consultant Team  
Date 29 January 2013  
Subject Monthly Report – December Through mid-January 2013

The Consultant Team is pleased to provide this update to the Council on our recent activities. Substantial effort was focused on the final Three-Year Plan filing submitted on November 2<sup>nd</sup> and ensuing hearings, information requests and responses, briefs and reply briefs.

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### Highlights from the Advisory Groups

#### Planning & Analysis Advisory Group

- The major planning activity in late 2012 was the review and analysis of the proposed Three-Year Plan for 2013-2015. Analyzed PA-proposed and revised savings, benefits, costs and bill impacts, statewide and across the PAs, compared the revised goals and values in earlier draft plans to the goals and numbers in the final Plan, reviewed best practices and best-performing PAs based on the data and data variability in the Plan, reviewed key program enhancements and strategies to address the Council's priorities, and reviewed PA responses to and action plans for Council priorities. Provided technical assistance and support for the final negotiations among the DOER, the Attorney General, and the PAs. Reviewed, commented, and recommended revisions to Term Sheets and Plan final drafts, primarily focusing on savings, benefits, costs, cost per unit savings (cost to achieve), bill impacts, best practices, and Council priorities. Prepared final analysis and assisted in the drafting of language for the Council Resolutions on the Plan. Provided summaries, review comments, and briefing information to the Council for its consideration in the final review of the Term Sheets and the Final Plan.
- Provided technical assistance and support for the DPU hearings regarding the 2013-2015 Plan. Reviewed and analyzed information requests, record requests, and other documents in advance of and during the DPU proceeding. Attended the DPU hearings in December and provided technical support to councilors during the hearings. Coordinated with the PAs on PA responses during the hearings regarding key issues that were important to communicate effectively, in order to support the statewide Plan that was approved unanimously by the Council. Reviewed and developed analysis and recommendations for briefs by DOER and councilors in support of the Plan.
- Continued analysis and developed additional summaries of the bill impacts associated with the 2013-2015 Plan. Reviewed our analysis and the updated summary tables with councilors during the DPU



- hearing process. Identified issues and potential improvements for the bill impact model developed by the DPU.
- In coordination with the PAs, completed the development of the 2013 performance incentive metrics, which were filed with the DPU on December 4<sup>th</sup>. Analyzed options and approaches for performance incentive metrics for the next Three-Year Plan, and recommended metrics that would be effective in focusing and increasing PA attention on key program-specific outcomes including achieving deeper savings.
  - Reviewed and analyzed the Non-Energy Impacts (NEIs), including review and analysis of the most recent NEI values proposed in the 2013-2015 Plan and the evaluation (EM&V) results. Reviewed detailed information and record request responses on NEIs prepared by the PAs. Developed summary tables analyzing and comparing NEI values for individual programs and across the PAs. Reviewed the updated summary tables with councilors during the DPU hearings.
  - Reviewed and provided technical input on the final Technical Reference Manual (TRM), developed by the PAs as part of the 2013-2015 Plan.
  - Provided analysis and review of issues addressed in the DPU NOI Phase II proceeding, regarding the DPU's straw proposal on the regulatory review and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications. Reviewed the draft revisions to the DPU EE Guidelines distributed by the DPU.
  - Began work on the regional avoided costs study (also known as the Avoided Energy Supply Component or AESC study) by providing input to the development of the scope of work for the RFP. The RFP is to be issued in late January 2013.
  - Reviewed 2012 program performance to date relative to goals, including through our review of the 2012 dashboard monthly reports from the PAs.
  - Provided technical assistance and support for the development of summaries of the 2013-2015 Plan, including summary data for tables and charts, to be used for future summary documents, presentations, and press releases.
  - Assisted the Council in the process of identifying and selecting a contractor to be nominated to become a Council member, consistent with the recent legislation.

### **C&I Advisory Group**

- Reviewed and reported key 2012 C&I EM&V findings and impacts
- Reviewed NEI numbers in 3 Year Plan Filings for accuracy and accordance with study results
- Reviewed key DPU filings including information requests and responses
- Reviewed final plan numbers and reported on discrepancies



- Conducted discussions on Metrics to finalize C&I 2013-2015 proposal
- Completed team work plan for 2013 and submitted to Council

### **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 Residential Management Committee (RMC) meetings, with a primary focus on preparing the RMC group for a successful and productive 2013. Communicated and coordinated with the DOER Residential Team regarding residential sector issues, and particularly on the DOER HEAT loan proposal to the RMC. Participated in weekly EEAC Consulting Team calls and bi-weekly RES Consulting Team coordination calls. Worked to advance New EEAC Councilor Selection Process in conjunction with DOER and stakeholders. Provided summary assessment of the contribution of non-energy impact (NEI) benefits to residential program benefits, net benefits, and cost-effectiveness. Reviewed applicable IRs. Reviewed all key Residential and Low Income working group meeting minutes and materials on Huddle site in preparation for 2013 program kick-off. Completed team work plan for 2013 and submitted to Council
- **Lighting:** Followed up with PAs and Council Evaluation Consultant on impact of proposed market lift incentives on minimum CFL retail prices. Monitored continued progress of both regional (non-low income) and MA-specific low income lighting hours of use studies. Reviewed and provided internal comments on final year-end monthly lighting and appliance measure-level program reporting. Attended DOE LED dimming webinar and NEEP market lift webinar.
- **Products:** Provided summary memo with recommendations to PAs as to revisions to their proposed 2013 plans for ENERGY STAR refrigerators and TVs, given concerns with understated free-ridership assumptions and overstated gross TV savings. Followed up with ENERGY STAR on their 2011 market share data. Call with EVT staff as to possible application of CEE consumer electronics market share data to 2013 program planning for TVs.
- **HVAC:** Participated in internal Consultant Team discussions on possible upstream incentives for residential HVAC.
- **HES:** Observed a full HES site assessment to help gauge status of market model.
- **MF:** Reviewed Northeast Multifamily working group meeting materials.

### **Evaluation, Measurement & Verification Advisory Group**

- **EM&V Reports:** Reviewed and commented on several new draft EM&V reports, including one providing a wrap-up on 2010-2012 impact evaluation results for the Small C&I program, one on the results of the Large C&I Customer Profile study, and one on incremental measure costs.



- **EM&V Implementation:** Moved forward a large number of 2012-2013 studies now in the implementation stage, including a variety of impact evaluations, market assessment studies, and process evaluations.
- **EM&V Planning:** Attended December EMC mtg. Worked with PA evaluators and program staff to develop approaches to the handling of Green Communities in the estimation of net-to-gross and baseline values for new construction. Provided input on behalf of MA to the EM&V Forum 2013 planning and budgeting process. Developed 2013 workplan for EEAC consultants EM&V team.
- **EM&V Policy Issues:** Coordinated with PAs on EM&V portions of DPU Three-Year Plan Hearings.
- **EM&V Contractor Recruitment:** Worked with PAs to recruit standing teams of EM&V contractors for the 2013-2015 period. For the Residential Research Area, developed RFQ scheduled for release by mid-January. For the Non-Residential and Cross-Cutting Research Areas, initiated negotiations to extend existing contracts through 2015 and 2014 respectively.
- **Workplan:** Completed team work plan for 2013 and submitted to Council

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## 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

The Planning & Analysis group will undertake several tasks in the next few months.

- Continue analysis and any final review of documents for the completion of the DPU review of the 2013-2015 Three-Year Plan. Review the DPU order on the Plan (expected in late January), and brief the Council on the DPU order and the outcome of the DPU proceeding.
- Work with the PAs to ensure there is a complete set of accurate 08-50 data tables that are 100% consistent with the final DPU order on the 2013-2015 Plan.
- Continue meeting with the PAs to discuss and ensure the early and effective implementation of the key components of the 2013-2015 Three-Year Plan, including the key program enhancements, strategies, and action plans, in order to achieve the savings and benefits goals, maximize the use of best practices, reach all segments of MA customers, and support the Council's priorities, while also ensuring the cost-efficient use of ratepayer funding.
- Review, analyze, and comment on all interim work products and deliverables for the regional avoided costs study (the Avoided Energy Supply Component or AESC study) being conducted in 2013. Review and comment on proposals from bidders in February, and participate in the study kick-off meeting in March. Review and participate in study group conference calls on the study approach (and any



revisions to the approach), interim work products, and draft deliverables. This regional avoided cost study is the single most important analysis for the EE programs in MA, because it will impact all EE programs, electric and gas, for several years.

- Support the EEAC by continuing analysis and work on the DPU EE Guidelines Phase I NOI regarding net savings and environmental/carbon compliance costs, as directed by the Council. Participate in additional discussions or follow up as directed, including in future technical sessions or in meetings with the PAs and others. (The DPU Technical Session on the implementation of multi-year, market-focused approaches for determining net savings, originally scheduled for September 7th, was postponed and will be rescheduled in 2013.)
- Support the EEAC, as directed by the Council, in its review and analysis of the DPU NOI Phase II order, regarding the DPU's straw proposal on the regulatory review and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications.
- Continue participation in the DPU 08-50 bill impacts working group, and recommend potential improvements for the bill impact model developed by the DPU.
- Participate on behalf of the Council in any other DPU 08-50 or 11-120 processes, as scheduled and as assigned by the Council.
- Review, analyze, and comment on the 2012 results and preliminary year-end data summarizing the performance of the 2012 programs.
- Review, analyze, and comment on 2013 quarterly reports and the dashboard monthly reports and trends.
- Analyze progress towards full incorporation of the key building blocks for accomplishing the goals of the 2013-2015 Three-Year Plans to achieve deeper savings and other key Council priorities.

### **C&I Advisory Group**

The C&I Advisory Group will be shifting the focus of their efforts from supporting the development and review the Three-Year Plan to supporting the implementation of the Plan. Specific areas of focus in coming months will include:

- Working with the PAs to develop detailed Action Plans for all plan commitments.
  - Multifamily program elements
  - CHP
  - Street lighting
  - Codes and standards
  - Stakeholder engagement
  - Healthcare strategies
  - Wastewater facilities



- Municipalities
- Implementing the Consultant Workplan once it is approved by the Council.

### **Residential Advisory Group**

The Residential Advisory Group will continue to work with the PAs on finalizing Three Year Planning efforts and on preparation tasks to begin implementing the statewide plan on January 1<sup>st</sup>.

**General:** Continue important program planning discussions with the PAs at the Residential Management Committee (RMC) regarding 2013 Council Priorities, Best Practices, application of NEIs across PAs, incorporating deeper measures, advancing development of the behavioral programs, upstream residential HVAC, EM&V-to-program design feedback loop, metrics progress tracking, stakeholder input.

**Action Plan:** Begin focusing on Three Year Plan implementation, including on organizing, prioritizing and implementing the following:

- Finalizing tracking mechanism for 2013 Action Plans/New Enhancements
- Communicating 2013 RMC expectations to Working Group leads
- DOER HEAT Loan proposal
- Reviewing Council priorities (2013)
- Design of Efficient Neighborhoods+ initiative
- Renter/Landlord strategy
- Stakeholder input forum
- Upstream residential HVAC
- Statewide reporting (database)
- Behavioral programs development (customer engagement)
- Products and HEHE initiative assumptions

### **EM&V Advisory Group**

- In January we expect our biggest single focus to be on moving forward the large number of 2012-2013 studies now in the implementation process.

MA EEAC



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- Significant focus on contractor recruitment for 2013-2015.



# January 2013

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
	1	2	3	4
7	8	9	10	11
14	15 EEAC Meeting	16	17	18
21	22	23	24	25
28	29	30 Executive Committee	31	

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# February 2013

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
4	5	6	7	8
11	12 EEAC Meeting	13	14	15
18	19	20	21	22
25	26	27	28	