



Memorandum

To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date 5 April 2012
Subject Monthly Report – March 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

- Discussed 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.
- Compiled and analyzed the available data and documents to develop an initial assessment of EE potential, and presented the assessment to the Council in March. For the assessment, we reviewed and analyzed the market opportunity analysis conducted by several PAs (Point 380), C&I surveys/interviews and analysis of the economy and its effects (Synapse), information available in EM&V studies and reports, updated results from potential studies in the region, and other market analysis in progress (Waypoint/Green Ribbon Commission).
- Developed an "initial thoughts" document on savings and benefits goals for the next Three-Year Plans. Combined analysis of recent program performance and the assessment of EE potential (above) to suggest initial savings goals levels for the consideration of the Council and the PAs, and presented the "initial thoughts" on goals at the March EEAC 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).
- Working with the Residential and C&I consulting teams, developed initial estimates of future savings and costs, using a "bottoms up" approach (program level data), to inform the development of the overall savings goals and overall program budgets for the next Three-Year Plans.
- 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), for presentation to the Council at the April meeting.

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- Reviewed and analyzed the nature and level of the under-expenditure of 2011 program budgets.
- 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.
- Worked with the Council and PAs to develop a revised schedule for the next Three-Year Plan process, and reviewed the revised schedule with the PAs.
- Working with the PAs, reviewed templates for completion of the Initial Draft Plans to be submitted to the Council in April 2012. Also discussed the use of DPU 08-50 tables in the planning process.
- 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 in advance of and at the EEAC meeting in March. Attended the DPU Technical Session on net savings on March 28. Reviewed the documents distributed during the Technical Session.
- Continued discussions of approaches for documenting net energy savings and baselines for future planning, accounting for naturally-occurring EE and the market effects of EE programs, including in meetings with the PAs.
- Reviewed the 2012 dashboard monthly reports and trend
- Provided data, technical assistance, and support for the development of the Annual Report to the Legislature.

C&I Advisory Group

- Continued to engage with PAs on codes and standards, attended meeting to address EM&V approaches, and reached tentative agreement on moving forward with an approach for attribution based on actual (as compared to planned) PA efforts. Timing of attribution and savings claim remains to be resolved. Received a draft plan from the PAs.
- Continued to work on establishing savings and budget goals for the Three-Year Plan. PAs are taking the lead in drafting the plan based on Consultant input while Consultants have been discussing and developing savings and budget values in coordination with the Planning & Analysis Advisory Group.
- Reviewed 4-8 Story Multifamily NC Process Evaluation, conducted MF program research and worked with Residential Advisory Group on developing Consulting team vision for integrated, seamless, and effective multifamily programs.
- Held meeting with DEP to discuss working with PAs on water and wastewater initiatives. Summarized feedback and provided to PAs at March C&I Management Committee Meeting. Provided response back to DEP.

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- Reviewed and finalized Memo on CHP in other jurisdictions with DOER and sent to stakeholders.
- Assisted PAs in developing products, savings assumptions, and evaluation needs for new upstream LED product additions.
- Developed draft language on Street Lighting for Three-Year Plans.
- Worked with Residential and EM&V Advisory Group members to develop position and needs for upstream HVAC initiative.
- Reviewed and edited various evaluation survey instruments and draft reports: CI baseline/code interim report, large customer focus group survey instrument, and CHP metering memo.
- Reviewed pending evaluation documents and activities to determine next steps.
- Reviewed Mgt. Committee and MTAC charters to determine if they fit current operating mode and practices.
- Provided information to PAs on proposed regional pilots for whole building retrofits of historic commercial properties to be launched by the National Trust for Historic Preservation and helped line up MA as a pilot area.
- Discussed options to provide MTAC with a second focus - emerging technologies - with MTAC and Management Committee chairs

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 pre-weatherization, retirement of old boilers, EM&V issues and Three-Year Plans. Updated "Residential Vision Paper" based on input from the RMC, outlining a vision of where the Massachusetts residential programs could be in three years. Communicated with the DOER Residential Team 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; reviewed and monitored progress of the Contractor Best Practices group.
- Deep Energy Renovation pilot: Continued to coordinate with DOER and others on modeling work being performed to support the draft 2013-15 proposal for a cost-effective DER-HES program.
- Products: Drafted memo on calculation of LED lifetime savings to properly incorporate impact of 2020 EISA federal lamp standards. Continued to participate in discussions with PAs, NEEP and D&R (market lift contractor) on implementation of a market lift pilot for lighting. Forwarded recommendation to PAs



regarding support on nonstandard ENERGY STAR LEDs. Participated in Working Group meeting to discuss Three-Year Plans. Attended NEEP quarterly residential sponsor meeting.

- HVAC: Reviewed and commented on initial PA screening of gas furnaces that addressed significantly higher baseline due to 2013 federal standard. Participated in internal discussions with C&I Advisory Group on proposed upstream HVAC implementation model. Participated in RMC discussion of same.
- Multifamily: Participated in the Multifamily working group meeting. Participated in Three-Year Plans multifamily discussions.
- Low Income Retrofit & Multifamily: Reviewed and monitored progress of the Low Income Best Practices working group. Met with John Wells (ABCD) on Low Income multifamily program status and Three-Year Plans.
- Codes and Standards: Met with PAs, their consultants, NEEP, evaluators and others to explore approaches to attributing savings to codes and standards efforts and how this initiative should fit into future PA evaluation plans.
- Residential New Construction: Residential New Construction (RNC): Participated in regular Joint Management Committee (JMC) working group discussions on the Three-Year Plans process, including code impacts, program re-design options and cost-effectiveness issues.
- Renovation/Additions/Remodeling Initiative: Drafted initial program concepts and proposal for development of new offering to address remodeling projects as part of Three-Year Plan.

Evaluation, Measurement & Verification Advisory Group

- Overall EM&V Framework: Attended the first meeting of the newly created Evaluation Management Committee (EMC), consisting of the evaluation managers from each PA and the Council Consultant EM&V Advisory Group leader. Reached general agreement on likely changes to the EM&V contracting system for the 2013-2015 period; the structure and functioning of the EMC; and the content of the EM&V plan to be included with the 3-year plan.
- Evaluation Planning: Made significant progress in working with the PAs to establish a proposed attribution framework for codes and standards support programs. Reached general agreement on an evaluation, pilot design and attribution approach for the residential lighting market lift pilot. Made progress on developing the impact and process evaluation of the C&I upstream lighting program. Finalized 2012 RNC plans, drafted 2012 Residential Retrofit and Low Income plans. Developed detailed approach for Lost Opportunity metric to assess contribution of siding, roofing and general contractors to HES.
- Evaluation Implementation: 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.

- Evaluation Reporting: Reviewed and commented on numerous EM&V reports including: top-line results of the residential and non-residential umbrella marketing surveys; draft interim report on the C&I code compliance study; draft and final reports on the residential lighting consumer survey; final CHP metering requirements memo; EM&V Forum loadshape data collection protocols report; EM&V Forum emerging measures protocols report; Multi-family savings potential and market characterization report; 4-8 story MF pilot; and Low-Income Program process evaluation report.
- Other Activities: Attended portions of meetings of the RMC and MA PA group focusing on EM&V issues. Contributed to the development of the legislatively mandated savings potential analysis, focusing on the contribution to be made by completed EM&V studies; provided EM&V-related input into the DPU investigation on the savings basis NOI.

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.
- Revise the assessment of EE potential based on comments and additional information. Further review of and input on analyses such as the market opportunity analysis conducted by several PAs, C&I surveys/interviews and analysis of the economy and its effects, information available in EM&V studies and reports, and any updated results from potential studies in the region. Present the revised assessment at the Council meeting in April.
- 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 recommendations for savings and benefits goals for the next Three-Year Plans, for Council review and consideration, building on the "initial thoughts" document presented in March.
- Develop and analyze estimates of program costs and bill impacts for the next Three-Year Plans.
- Develop and analyze options and approaches for performance incentives, overall incentive levels, and the performance incentive mechanism details for the next Three-Year Plans.

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- Work with the Council and the PAs to prepare the Initial Draft Three-Year Plans (due April 30), consistent with the template.
- Review the Initial Draft Three-Year Plans in May and June.
- 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. Report back to the Council on the March 28 DPU Technical Session, as directed, for the April EEAC meeting. Follow up with the 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, potentially including reporting and bill impacts, as scheduled and as assigned.
- Review, compile, and comment on 2012 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 Three-Year Plans to achieve deeper savings and other key priorities.

Residential Advisory Group

- General: Engage with PAs on Three-Year Plan activities. Use updated "Residential Vision Paper" as springboard for Three-Year Plan discussions at each of the working groups.
- Products: Continue to work with PAs, NEEP, D&R, and EM&V Advisory Group to implement market lift model. Engage PAs on Three-Year Plans and provide feedback on proposed program designs, program savings and budgets. Attend DOE invitation-only Roundtable on utility promotion of LEDs
- HVAC: Continue to work with C&I Advisory Group and PAs to develop upstream HVAC implementation model. Develop revised gas/electric HVAC integration plan. Engage PAs on Three-Year Plans and provide feedback on proposed program designs, savings and budgets.
- Codes and Standards: Continue the on-going dialogue with the PAs, their consultants, and advocates to develop a codes and standards plan for the residential and C&I sectors and to incorporate into evaluation planning.
- Residential New Construction (RNC): Participate in regular Three-Year Plan discussion with April focus on determining future of lighting design and remodeling/additions pilots, impacts of rising codes on program savings, and program design modifications to improve cost-effectiveness.
- Home Energy Services: Explore and develop new Renovation/Additions/Remodeling initiative as part of seamless offering, while coordinating with JMC working group. Participate in on-going Three-Year Plan discussions.



C&I Advisory Group

- The C&I Group will be heavily focused on the 3 Year Plan, including continued analysis of C&I savings/goals budget options and language for the first draft. This includes continued assessment of best practice program options and incorporation of Council priorities into program implementation plans.
- The Group will also be reviewing the first draft of the PA Codes and Standards Plan.

EM&V Advisory Group

- Between April and June, complete some 30 in-progress EM&V studies.
- As these wrap up, begin next wave of studies on the 2012 agenda, which include a combination of market assessment studies, impact evaluations and process evaluations.
- Develop 2013-2015 EM&V plan.



April 2012

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27 Stretch Code Workshop, Mansfield
30 PAs submit initial draft of Three-Year Plan				

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May 2012

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
	1	2	3 Consultants submit analysis of initial draft Three-Year Plans	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30	31	