



Memorandum

To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date 11 October 2012
Subject Monthly Report – September 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

- Reviewed and analyzed the PA-proposed September 19th Revised Draft Three-Year Plan for 2013-2015. Analyzed PA-proposed/revised savings, benefits, and costs across the PAs, compared the revised values in the September Plan to the numbers from the July 2nd Draft Plan, reviewed best practices and best-performing PAs based on the data in the Revised Plan, reviewed variability in performance numbers across the PAs, and reviewed PA responses to Council priorities. Provided a summary, review comments, and briefing information to the Council for its consideration in a joint presentation with the PAs at the September 27th EEAC meeting.
- Continued to meet with the PAs to discuss and consider the key components of the next Three-Year Plan, including savings and benefit goals, key program enhancements and strategies to address the Council's priorities, program costs and cost drivers, customer bill impacts, and performance incentives, with a focus on narrowing remaining differences between the PA proposals and the Council's stated priorities and Resolution. Continued analysis of PA vs. consultant estimates of savings, benefits, program costs, and costs per unit savings for the 2013-2015 Plan.
- Completed the analysis of cost drivers and their impact on 2013-2015 proposed program costs in a joint analytical effort with the PAs, in time to inform the final Three-Year Plan.
- Analyzed options and approaches for performance incentives, the overall incentive amount, the performance incentive mechanism details (including potential revisions to the mechanism, such as a change in the threshold or payout rates), and potential performance incentive metrics for the next Three-Year Plan. Provided supplemental briefings to the Council at the two EEAC meetings in September on performance incentives and potential options for modifications.
- Reviewed and analyzed the Residential Non-Energy Impacts (NEIs), including review and analysis of the most recent evaluation (EM&V) results, and the implications for NEI values to be used in the 2013-2015 Plan.
- Followed up on the analysis of the 2011 Annual Reports and 2011 results, as one source of information on actual performance, to inform the 2013-2015 Plan.



- Analyzed the target and earned performance incentives in 2011, based on the results communicated in the 2011 Annual Reports.
- Provided analysis and review of issues addressed in the DPU NOI Phase II proceeding, following up on the DPU Technical Session in August, 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 on September 21, 2012.
- Continued analysis and summary of bill impacts and the bill impact model for the Three-Year Plan, and reviewed comments on the bill impact model provided to the DPU.
- Reviewed the 2012 dashboard monthly reports from the PAs.
- Assisted the Council by considering options for 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

- Continued review and engagement with the PAs on Three-Year Plan. Worked with PAs on cost driver analysis and negotiations to bring costs down from July plan draft.
- Continued work with evaluation team on advancing systems based market research in C&I evaluation studies. This research is needed to assist PAs in moving beyond widget based approaches to develop program strategies that can increase depth of savings and comprehensiveness.
- Continued work on Multi-family retrofit program integration between Market Integrators and C&I program delivery to create seamless delivery model. C&I team continues to work with C&I Management Committee on level of commitment needed to develop and ensure a seamless delivery model that captures all potential savings opportunities.
- Continued to provide best practice support to the PA upstream lighting programs, including providing input to evaluation methods and updated marketing literature.

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) meeting, with a primary focus on Three-Year Plan. Reviewed September 17th draft of the Three-Year Plan, including a thorough data analysis, and provided feedback and recommended modifications to the RMC. Reviewed PA application of NEIs and continued engagement on the cost driver analysis. Developed 'Deeper Savings measures' spreadsheet template to assist PAs in planning for incorporating deeper measures into residential programs. Prepared 'Average MMBTU/participant' comparison to gauge PA-proposed depth of savings. Communicated with the DOER Residential Team regarding residential sector issues. Participated in weekly EEAC Consulting Team calls and bi-weekly RES Consulting Team coordination calls. Developed Low-income and Residential metrics ideas for 2013
- **Lighting:** Along with Council's Evaluation Consultant, continued to engage PA EM&V and Planning staff on key residential lighting planning assumptions for Three-Year Plan. Reviewed scope of work for proposed CLC lighting dimmer study. Attended NEEP webinar presentation on LED dimmer compatibility issues.



- **Products:** Reviewed monthly YTD measure-level program reporting, including recently included refrigerator and freezer recycling data. Attended NEEP webinar on state and regional standards opportunities.
- **HVAC:** Reviewed monthly YTD Cool Smart initiative reporting. Attended NEEP webinar on HPWHs.
- **Home Energy Services:** Participated in HES working group meeting, and monitored activities of the Contractor Best Practices working group.
- **Multifamily:** Participated in the Multifamily working group meeting and in separate discussions with PAs on 2013 multifamily initiative enhancements and timelines.
- **RNC:** Participated in portion of the Residential New Construction working group meeting and discussions on 2013 program set-up and launch.
- **Low Income Multifamily:** Participated in the Low Income Multifamily working group meeting.

Evaluation, Measurement & Verification Advisory Group

- **EM&V Reports:** Finalized several studies, including the HES impact evaluation and pre-weatherization memo. Advanced a number of studies in the reporting stage toward finalization, including: Residential Lighting On-Site Study; EM&V Forum Emerging Measures study; Forum Incremental Costs Study; Electronics Saturation Study; C&I Whole System Literature Review; Job Creation study; Small C&I Billing Analysis; Fall 2012 Umbrella Marketing follow-up surveys; and EM&V Forum net savings study. Posted all finalized 2011-2012 reports on the EEAC website.
- **EM&V Implementation:** Moved forward a number of newer studies in the detailed planning and/or implementation stage including: C&I Upstream Lighting impact evaluation; Evaluation of CLC Behavioral Pilot; Residential New Construction NTG study; HEHE NTG study; Large C&I Custom Motors, Refrigeration and Other Measures impact evaluation; C&I Boiler Baseline Study; C&I Gas Custom and Prescriptive Impact Evaluations; Residential Lighting Supplier Interviews and Store Manager Survey.
- **EM&V Planning:** Worked with the PAs on the development of several potential new studies in the Residential Retrofit research area. Analyzed need for an LCI lighting controls study. Provided input on behalf of MA to the EM&V Forum 2013 planning process. Attended September EMC mtg. Worked with NY, CT and RI to develop a collaborative four-state residential lighting operating hours study. Assessed potential for a collaborative study with California on the market effects of LED programs. Began to scope out a C&I Existing Buildings market characterization study. Worked with PAs to refine 2013-2015 EM&V budget.
- **TRM:** Neared completion of work on the 2013-2015 plan version of the TRM.
- **EM&V Application Issues:** Identified issue within the 2011 Residential/Low Income Non-Energy Impact study regarding NEI valuation of retrofits in equipment failure situations in the residential sector. Prepared with the residential team a memo to the PAs initiating a dialogue. Established working group with the PAs to review and address this issue.
- **EM&V Policy Issues:** Monitored and provided input into EM&V-related policy issues such as the DPU savings basis NOI; Three-Year Plan plan analysis of cost drivers and goals; and the issue of retrospective application of residential NEBs results in the 2011 Annual Reports.
- **Program Development:** Provided EM&V-focused input into the development of a C&I HVAC Upstream Program.



- **EM&V Forum Studies:** Provided input into ongoing EM&V Forum studies, including the VSD load shape study.

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, including the Planning & Analysis Advisory Group. Some of the specific tasks we anticipate are:

- Continue analysis for the development and completion of the 2013-2015 Three-Year Plan. Conduct additional analysis and draft additional comments for review and consideration by the Council. Prepare briefings and presentations for Council consideration at the October EEAC meetings. This will be the primary Planning & Analysis task during October, with some follow up possibly needed in November..
- Continue meeting with the PAs to discuss and develop/revise the key components of the next Three-Year Plan, including savings and benefit goals, key program enhancements and strategies to support the Council's priorities, program costs and cost drivers, bill impacts, and performance incentives. Focus on eliminating or narrowing any remaining differences between the PA proposals and the Council's stated priorities and Resolution.
- Review, compile, and comment on 2012 quarterly reports and the dashboard monthly reports and trends.

C&I Advisory Group

The C&I Advisory Group remains focused on working with the PAs on revising the Three-Year Plan drafts to support advancement of Council Priorities and achievement of proposed goals. In addition, the Group will be working with PAs to address several recent issues identified by the Council and/or Stakeholders, including:

- Continued work with PAs in the C&I Management Committee to address final remaining items that have not been adequately addressed in most recent September Three-Year Plan text. These items include: 1) a standardized process for statewide stakeholder input, 2) more information on market segmentation strategies and how the Point 380 study will be used, and 3) addressing deeper savings barriers in the PA small business program.
- Continued work with DOER and the PAs on a process to apply and claim savings from codes and standards
- Working with the PAs on finalizing and applying performance metrics to the Three-Year Plan targets
- Continued work on ascertaining the effects of codes and standards, evaluation results, and market maturity on sector level costs in the Three-Year Plan horizon
- Continued work with the PAs on the design of the Multifamily program to improve integration and seamless delivery
- Working with PAs on analysis of recent lighting control study results and potential outcomes/changes for the future



Residential Advisory Group

The Residential Advisory Group will continue to work with the PAs on Three-Year Plan efforts and to provide feedback on proposed initiative designs, savings and budgets. Additional market-specific efforts will include the following.

- **General:** Continue important planning discussions with the PAs at the Residential Management Committee (RMC), including on closing the savings and cost gaps, 2013 metrics, deeper savings, and Behavior-Feedback strategy in preparation for final draft of Three Year Plan.
- **RNC:** Discussion of role of third party (i.e. HERS rater) support in performance testing provisions of IECC2012 energy code.
- **Codes & Standards:** Codes & Standards: On-going dialogue and review of PA's proposed options, plans and next steps.

EM&V Advisory Group

- In October we expect to focus on implementing in-progress Wave 3 studies (those being performed between mid-2012 and mid-2013), and on developing some additional Wave 3 studies. We also anticipate working on needed follow-up to the DPU 11-120 order. Lastly, we expect to complete work on the 2013-2015 Plan version of the TRM, as well as on other EM&V-related aspects of the 3-year plan.



October 2012

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
1	2	3	4	5
8	9	10 EEAC Executive Committee Meeting	11	12
15 DPU 11-120 NOI Phase II comments due	16 EEAC Meeting	17	18	19
22	23 EEAC Meeting	24	25	26
29	30 EEAC Meeting	31 2013-2015 Three-Year Plan Filing due		

MA EEAC



CONSULTANT TEAM

November 2012

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
			1	2
5	6	7	8	9
12	13 EEAC Meeting	14	15	16
19	20	21	22	23
26	27	28	29	30