



Memorandum

To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date January 9, 2013
Subject December Monthly Report

The Consultant Team is pleased to provide this update to the Council on our recent activities.

Planning & Analysis Advisory Group

- Prepared for and attended the EEAC meeting on December 10, and participated in the Executive Committee meeting on December 16. Briefed individual councilors in advance of the EEAC meeting (the substantive issues and outcomes are summarized in the bullets below).
- Supported the design and development of the statewide database, as directed by the Council and the Council's Statewide Database Subcommittee. Reviewed the database consultant conceptual proposal for the statewide database. Identified data needs and provided some examples of how deeper data would be used.
- Discussed strategic planning with the Executive Committee on December 4. Provided some initial notes regarding the discussion, which were revised by DOER and provided to the Council for its December 10 meeting.
- Continued the review of program performance, coordinating with the PAs, with a special focus on the C&I energy savings shortfalls in 2011-2012, the C&I under-investments in the same years, and the C&I "hockey stick" of project completions. Followed up with the PAs on the consultant summary presentation about how to achieve the C&I goals in 2013 and beyond. Reviewed C&I progress in 2013 year-to-date and forecasted year-end for the discussion at the December EEAC meeting.
- Reviewed the PAs' 2011 and 2012 Annual Reports, and provided technical assistance for the DPU proceeding reviewing the Annual Reports, with a focus on the reliability of the reported impacts and costs, the use of the evaluation results, non-energy impacts (NEIs), the PA performance incentive claims, and the performance incentive metrics claims and documentation. Coordinated next steps and provided technical assistance on potential discovery items with individual councilors involved in the DPU proceeding.
- Continued work related to the regional avoided costs study (also known as the Avoided Energy Supply Cost or AESC study) conducted in 2013. Reviewed options for applying the study results in MA for the 2014 and 2015 program years, discussed potential options with the PAs, and discussed the best



options with councilors. Participated in the DPU 11-120 working group meeting on December 19, and provided recommendations on 2013 AESC implementation in Massachusetts to the working group.

- Continued work on DPU 11-120 reporting streamlining regarding the regulatory review, reporting, and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications. Worked on reporting issues, needs, and priorities related to the DPU 11-120 working group with individual councilors. Reviewed the PA-proposed revised template for future Plan-Year Reports. Met with the PAs in the Planning & Analysis Group (PAG) on December 6 and 13; reviewed and commented on the revisions to the Plan-Year Report template, collaborated on the development of data tables appropriate for the three-year period, and prepared for the DPU working group subcommittee discussion. Participated in the DPU working group subcommittee meeting on December 19, which focused on the timing of EM&V studies, Plan-Year Reports, and other documents, and prepared and presented the lead-off slides.
- Continued work with the PAs on preparation for the Annual Implementation Update for the 2014 program year, for the Council review process in March/April. Collaborated with the PAs on some details and clarifications (e.g., applying the new avoided costs for the Plan numbers in the table).
- Reviewed, analyzed, and commented on the 2013 monthly dashboards during the December 10 EEAC meeting, with special focus on progress year-to-date in 2013 and PA estimates of forecasted year-end savings and expenditures.
- Continued making progress with the PAs on the consultant-recommended *interim* approach to data and data management, focused on improving effectiveness and efficiency of current data management, to ensure reliable and internally-consistent data in the interim while the statewide database is being developed. Discussed web-based file storage, versioning and version control (logs), PA data manager(s) responsible for data quality and internal consistency, and the importance of QA and consistent data for all users. Reiterated the importance of these interim data system improvements, data quality procedures, and data management processes in discussions with the PAs and DOER. Recommended that the interim system be in place in time for the 2014 Implementation Update (originally we recommended that the interim system should be in place by August 2012).
- Interacted with the PAs and the management committees to discuss and ensure the 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, serve all segments of MA customers, and support the Council's priorities, while also encouraging the cost-efficient use of ratepayer funding.

Upcoming Activities

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

- Continue meeting with the PAs and management committees to discuss and ensure the early and effective implementation of the key components of the 2013-2015 Three-Year Plan. Significant focus in the near term will continue to be on the C&I programs and how to achieve the C&I goals.

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- Support the design and development of the statewide database, and participate in the Statewide Database Working Group and the Council's Statewide Database Subcommittee, as directed by the Council. Coordinate with the database consultant/facilitator to assist in the design and scoping of the statewide database, including through interviews. Review and comment on the draft database specifications.
- Encourage the PAs to complete work on developing and implementing 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. Continue to focus on improvements to the interim data system, procedures to increase and ensure data quality, and data management processes in discussions with the PAs and DOER. We recommend that the interim data system should be in place in time for the 2014 Implementation Update in March.
- Review, analyze, and comment on the quarterly reports and the dashboard monthly reports and trends, with special focus on the achievement of the goals. Improve the reporting of trends and the comparison to similar time periods in prior years in the monthly report dashboards. Also, working with the PAs, complete the new template for the quarterly reports, focusing on the reporting of benefits and GHG emissions reductions (Q2 and Q4 reporting), consider how best to report on oil savings (continuing discussions), and implement any additional revisions identified and directed by the Council as a result of EEAC review of the revised template for the quarterly reports. Enhance the reporting on the Council's priorities in response to councilor comments.
- Support the Council, as directed, in its review and analysis of the DPU NOI Phase II order and the EE Guidelines, through the DPU 11-120 reporting streamlining process regarding the regulatory review, reporting, and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications. Review and comment on the revised PA-proposed template for future Plan-Year Reports and data tables, and meet with the PAs to discuss the comments and suggestions. Participate in the DPU 11-120 reporting streamlining working group and subcommittee as directed by the Council; the next subcommittee meeting is scheduled for January 28.
- Continue the review of the PAs' 2011 and 2012 Annual Reports, provide the consultant findings and recommendations to the Council and to individual councilors, and provide technical assistance and technical support during the DPU proceeding on the Annual Reports.
- Assist the Council in strategic planning efforts, including advance planning and identification of information and analysis needs for the development of the 2016-2018 Plan.
- Working with the PAs, begin early implementation of the template and summary narrative for an Annual Implementation Update to be used for the 2014 program year, to be considered and reviewed by the Council in March 2014.
- Coordinating with the PAs, analyze and assess the implications of the new 2013 AESC avoided cost values for 2014 and 2015 programs. Assist in the application of the AESC study results in Massachusetts for the 2014 and 2015 program years, and discuss and further clarify options with councilors and the PAs as part of the DPU 11-120 working group discussions. Participate in the DPU working group as assigned.



- Participate in any DPU 11-120 technical session and/or potential proceeding on avoided costs of GWSA compliance and carbon avoided costs, as assigned. Provide technical assistance for councilors participating in the DPU 11-120 or other process.
- Support the Council 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.
- Continue to work on future tasks related to the Technical Reference Manual (TRM), per the TRM schedule and process.
- Participate on behalf of the Council in any other DPU 08-50 or DPU 11-120 processes, as scheduled and as assigned by the Council.

C&I Advisory Group

Highlights from the Past Month

The C&I Group continues to maintain focus on achieving the 2013 goals, informed by past experience and research.

- Continued collaborative research project with the PAs to investigate opportunities to enhance retro-commissioning and monitoring based commissioning offerings and participation in MA. Developed and prioritized the criteria and proposed a scoring system that will be used to identify best practices. Identified 4 programs that will receive in depth investigation by the consultant team to identify effective practices that will then be evaluated against the BP criteria. Identified key barriers to successful commissioning in existing buildings in MA including the high cost of the engineering studies, customer reluctance to invest and short measure lives. Finding program approaches that overcome these barriers is a focus of the work.
- Facilitated discussion with team and PAs on 2014 Performance Metrics. Discussed effectiveness of current metrics and what, if anything, should change in 2014 should Performance Metrics be required. Discussed framework for what an effective Performance Metric should look like.
- Continued discussions with PAs on importance of segmentation analysis and resulting strategies, including need for formalized segment approaches for most important segments including Commercial Real Estate, Healthcare, Hospitality, and Industrial/Manufacturing. Brought forward examples of manufacturing/industrial segment approaches from other jurisdictions. Discussion will continue in January.
- Coordinated presentation from EPA/DEP on new EPA required Boiler Assessments that may present leveraging opportunities to PAs for gas savings.
- Provided comments to draft workplan on PA Differences Study. This is an important new evaluation study proposed by the Consultant Team to understand variances in performance and cost-to-achieve



among PAs in the C&I Retrofit program, and identify best practices to be adopted by all, raising the bar for statewide performance.

Upcoming Activities

The C&I Advisory Group will continue to support the implementation of the Plan. Specific areas of focus in coming months will include:

- Continuing to monitor PA achievement towards goals and spending. Continuing to work with PAs on planning and strategy to address any goal shortfalls.
- Providing input to the statewide database consultant with a focus on how the data can be used to identify individual PA best practices and raise the bar for statewide performance.
- Working on Retrocommissioning Best Practice Research. Once complete, we will work with PAs to develop and implement resulting recommendations and enhancements to programs. This work is expected to be complete in Q4 2013.
- Developing workplan for Healthcare Best Practice Research. Once workplan is complete, research will begin. Once research is complete, we will work with PAs to develop and implement resulting recommendations and enhancements to programs. This work is expected to be complete in Q1 2014
- Continuing to work with PAs, stakeholders, Council, and others to develop an integrated solution for customer-owned and utility-owned street lights.
- Continuing to work with PAs to make a stronger connection and feedback loop between evaluation and implementation.
- Continuing to support the Commercial Real Estate Working Group and development of a PA roadmap to address the segment.

Residential and Low Income Advisory Group

Highlights from the Past Month

The Residential Advisory Group covered key program areas by engaging with the Residential Management Committee (RMC) and key initiative working groups and on several topics.

- Engaged the PAs on high-level Residential Sector issues at the Residential Management Committee (RMC) meetings, the quarterly meeting with the PA leads, and through individual communications with RMC members. Monitored PA progress on new initiative enhancements and action plans, including review of working group agendas and minutes and PA's data dashboard.

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- Conducted preliminary discussions and research, both internally and with RMC on 12/11, on possible 2014 residential performance metrics, including review of 2013 metric incentive amounts.
- Continued work to identify potential multifamily retrofit program enhancements, including reviewing and commenting on MFWG's final draft Energy Action Plan template, developing multifamily peer program comparison chart listing key characteristics and results of MA's peer programs across the country for the RMC, and summarizing MF program best practices from national resources (ACEEE and others) to review MA progress to date on MF program enhancements and stimulate adoption of future strategies for near, mid, and long-term program improvements for a future discussion with the RMC.
- Continued to gather information from NYSERDA to assist PAs in addressing HES contractor performance concerns.
- Supported database development by reviewing the facilitation consultants' draft conceptual plan and the PA's comments thereon.
- Responded to Council member's information requests related to HES initiative.
- Provided evaluation consulting team members with input on development of proposed residential evaluation plans. Maintained ongoing dialogue with evaluation team to coordinate evaluation and residential consulting team activities.
- Continued to provide support on the review of the PAs' 2012 annual reports and the application of non-energy impacts.
- Communicated and coordinated with DOER staff regarding residential sector issues with a particular focus on contemplated revisions to Residential Conservation Services guidelines. Conducted follow up research to respond to questions related to same.
- Supported residential products program by continuing to monitor YTD lighting activity relative to goals, participating in ENERGY STAR webinar on LED lamp performance, pricing and product quality, reviewing DOE's testing of LED A-lamp performance, and reviewing preliminary results from the regional lighting hours of use study.

Upcoming Activities

The Residential Advisory Group will continue to work with the PAs on planning tasks and preparation activities toward the successful implementation of the 2013-2015 statewide plan. Activities we anticipate in December include:

- Continue program planning discussions with the PAs at the Residential Management Committee (RMC), including on monitoring progress on the key Three Year Plan implementation tasks.
- Continue consideration of performance metrics and/or performance indicators for 2014.
- Provide follow up information on contractor performance and multifamily retrofit best practices and discuss same with RMC.



- Continue to support DOER's RCS guideline development work.
- Participate in Low Income Best Practices Working Group meeting on January 16.
- Continue work to assess available sources of residential data, including PARIS.
- Continue to support database development.

Evaluation, Measurement & Verification Advisory Group

Highlights from the Past Month

The EM&V team continued its active involvement in a wide range of EM&V planning, implementation, reporting, and policy functions.

- **EM&V Implementation.** Advanced toward completion a large number of studies currently in the implementation stage. These represent a combination of many new studies that were identified in the 2013-2014 Evaluation Plan and recently entered the implementation stage, and a handful of studies begun in late 2012 or early 2013 that are expected to be completed soon.
- **EM&V Planning.** Moved a number of additional new studies that were identified in the 2013-2014 Evaluation Plan through the three planning stages and toward the starting gate for implementation, with particular emphasis in December on new Cross-Cutting studies. Received a few late comments on the 2013-2014 Evaluation Plan from stakeholders, and incorporated as appropriate into the workplans for specific projects.
- **EM&V Reporting.** Moved toward finalization three draft final reports received in November: the Mid-Sized Customer Study, C&I Upstream Lighting Impact Evaluation, and the Residential New Construction Net-to-Gross Study. Agreed with the EMC to begin staging a series of public webinars on selected completed studies, featuring presentations by the lead EM&V contractors, with Councilors and other interested parties to be invited. The tentative plan is for the first webinar in the series to focus on the results of the Mid-Sized Customer Study, and to be held in February.
- **EM&V Policy Issues.** Worked with both the EMC and other EEAC consultant teams to help develop recommendations regarding the new schedule for annual reports. Worked with other EEAC consultant teams to help develop recommended specifications for the statewide database. Commented on a draft scope of work for the PA Penetration and Remaining Cost-Effective Opportunities study mandated by the DPU for selected PAs. We have recommended that this study be rolled into the overall statewide EM&V framework and closely coordinated with other EM&V studies. Provided EM&V-focused input to the development of a set of consultant recommendations regarding depth of savings performance indicators.



- **Miscellaneous Activities.** Received and reviewed proposals in response to the RFP recruiting a new EM&V contractor team for the Cross-Cutting Research Area. Review committee is nearing final decision regarding contractor selection.

Upcoming Activities

In January we expect key areas of focus to include:

- Overseeing early implementation of the large numbers of new studies that have either recently launched or are just about to do so.
- Finalizing the draft final reports received in November.
- Final contractor selection for the cross-cutting EM&V contractor RFP.
- Attending to EM&V aspects of ongoing policy issues such as the annual reporting schedule and the statewide database.

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Upcoming Activities

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