



## MEETING MINUTES

**Wednesday, January 18, 2017**

100 Cambridge St, 2<sup>nd</sup> Floor

Conference Rooms B & C

Boston, MA 02114

**Councilors Present:** Eric Beaton (for Chrystal Kornegay), Donald Boecke (for Maura Healey), Jenifer Bosco (for Charles Harak), Amy Boyd, Cindy Carroll, Elizabeth Cellucci, Larry Chretien, Maggie Downey, Betsy Glynn, Paul Gromer, Frank Gundal (for Tilak Subrahmanian), Paul Johnson, Judith Judson, Richard Malmstrom, Deirdre Manning, Michael McDonagh, Jeremy Newberger, Robert Rio, Michael Sommer, Brad Swing (for Austin Blackmon), Trish Walker, Sharon Weber (for Martin Suuberg), Eric Winkler

**Councilors Absent:** Michael Ferrante, Elliott Jacobson, Andrew Newman

**Consultants Present:** Eric Belliveau, Gretchen Calcagni, Roo Harcourt, Craig Johnson

**DOER Staff Present:** Rachel Evans, Ian Finlayson, Alex Pollard, Arah Schuur

**Others Present:** Brandy Chambers, Beth Delahaij, Jonathan Goldberg, Jodi Hanover, Lyn Huckabee, Kristina Kelly, Theresa Lavoie, Emmett Lyne, Maggie McCarey, Ezra McCarthy, Cara Mottola, Matthew Nelson, Miriam Posner, Ogden Ross, James Siegel, Amy Vavak

## **1. Call to Order**

Commissioner Judson, as Chair, called the meeting to order at 1:13 PM.

## **2. Public Comment**

No public comment was received.

## **3. Council Updates and Business**

### *EEAC Meeting Minutes – December 21, 2016*

Swing motioned to approve the minutes as submitted. Malmstrom seconded. All were in favor, with Beaton and Weber abstaining. The minutes were approved, as submitted, by the Council.

### *DOER Updates*

Finlayson noted that DOER wanted to use the start of the new year to update the Council on their efforts that relate to the Council's work.

#### **1. Peak Demand**

Finlayson noted that DOER put out a grant in the fall and that they had received over 30 applications. He added that they are in the final review process and that they would be announcing recipients soon. He also indicated that the applications varied widely and that they hope to have a varied portfolio of demonstrations.

#### **2. Residential Contractor Engagement**

Finlayson noted that DOER had convened a working group last year and that they spent most of the year reviewing best practices from states such as California, Oregon, Vermont, and Maine. He also noted that they held a public comment forum and performed an online contractor survey. He indicated that the forum and survey reiterated a major theme, which is that the market is complicated and that some contractors are happy while others are looking for alternative means of serving customers. Lastly, he noted that they would be putting out a report with recommendations from the group in the upcoming months.

Johnson asked if they would be holding another public comment forum after the report is released. Finlayson indicated that they would be looking for opportunities to share it once it goes public so holding another public comment session would make sense.

Swing asked what the process was meant to inform. Finlayson indicated that as part of the term sheet for the current Three-Year Plan the Council agreed to have a contractor engagement review process. He added that the goal of that was to address concerns that there are groups of contractors that are struggling to make their business model work in the Mass Save environment. Judson added that further conversations with stakeholders and the Council could be had once the report is released.

### 3. Innovation

Finlayson noted that DOER announced \$11.4 million in grant funding to help cities and towns accelerate the conversion of their streetlights to LEDs. Judson added that this is an area of strong interest for the administration and that it also fits well with the strategy to reduce winter peak demand issues.

### 4. Energy Storage

Judson noted that DOER released a report last year that showed the benefits of storage and that there would be an RFP going out to set up demonstration projects. She also indicated that DOER had been directed by the legislature to determine whether or not storage targets should be set. She noted that DOER did make the decision to set targets. She noted that the next step is for DOER to determine what the targets would be and that they would be set by July 1, 2017. Lastly, she noted that DOER was receiving stakeholder input through January 27, 2017.

### 5. Capturing Franchise Energy Savings (CaFES) Grant Program

Finlayson noted that DOER would be providing financial support to franchise parent companies to implement efficiency measures in franchisee stores located in Municipal Light Plant (MLP) territories. He indicated that the goal of the program is to have a consistent set of packages of efficiency measures for franchisee stores. He added that DOER is currently evaluating applications for the grant program.

Belliveau asked if this program would be on-going. Finlayson indicated that it is currently too early to tell.

Malmstrom asked if they would be going to the individual store owners or if they had to go through corporate. Finlayson noted that the idea was to start with the parent companies and then to push it to the franchisees.

### 6. Pathways to Zero Net Energy Building (ZNEB) Program

Finlayson noted that this program is a \$3.5 million initiative to facilitate a transition to the next generation of high-performance buildings. He noted that \$3 million was initially used to fund feasibility, integrated design, and construction of ZNEBs. He indicated that building completions are starting to come in and referenced a few notable projects, which included Bristol Community College's new student lab building, the Walden Pond visitors center, a new four-story office building at Clark University, and the Hitchcock Center for the Environment.

### 7. Electric Vehicles

Finlayson noted that DOER has approved \$14 million in funding for the Massachusetts Offer Rebates for Electric Vehicles Program (MOR-EV). He noted that the funding includes rebates for more than just electric vehicle cars, but also for vehicles such as electric motorcycles and busses. He also noted that Governor Baker recently signed Senate Bill 2505 – An Act Promoting Zero Emission Vehicle Adoption. He noted that the bill, among other things, authorizes utilities to request cost recovery for the construction, ownership, and operation of publicly available charging infrastructure as well as allow charging infrastructure requirements to be included in building codes.

#### 8. Expanded Heat Loan Program

Finlayson noted that an additional \$10 million in funding had been approved to continue the effort.

#### 9. Affordable Access

Finlayson noted that this was an initiative of Governor Baker to increase access to clean energy for low- and moderate-income households. He noted that a report and \$10 million in grant funding would be released soon.

Judson also announced that the state recently moved on to the latest building energy code on January 2, 2017. She indicated that it included a modest change in base code and a notable change to the stretch energy code. She added that the initiatives discussed were in line with the broader goal of establishing a clean energy and resilient future for Massachusetts and that DOER wants to be thinking about how they can support the overall mission of the Council.

Johnson asked where Councilors can look to keep informed on each of the initiatives discussed. Judson noted that Councilors could follow DOER's press releases or look for them on their website.

### **4. 2017 Milestones and Council Feedback**

Belliveau began with a quick update on the Council feedback process. He noted that the consultant team (C-Team) would be releasing a memo soon, but that in general the key takeaway was that the amount of interaction the C-Team has had with Councilors is appropriate. He also noted that a major takeaway was that it is important to have interactions with Councilors well in advance of meetings. He added that the C-Team has started the process of early engagement so that more general questions about certain meeting topics could be answered ahead of time. Lastly, he noted that the C-Team is working on putting together a package of resources that would be intended to bring new Councilors up to speed.

Belliveau also discussed 2017 milestones. His presentation was intended to identify key strategic planning items, milestones, and the Council's schedule during 2017 and beyond. As part of his presentation, Belliveau highlighted the 2017 meeting schedule and topics, the planning process timeline for the 2019-2021 Three Year Plan, the Avoided Energy Supply Cost (AESC) study milestones, and the Peak Demand Reduction demonstration milestones.

On the AESC study, Newberger noted the schedule in March and indicated that they want a tight schedule because otherwise the values will already be a year old when the next Three Year Plan goes in to effect.

On the 2019-2021 Three Year Plan planning process, Johnson asked what the Council could expect for potential studies, budgets, and timelines. Belliveau noted that the PAs are in various stages of their potential studies. He added that delivery dates for those would vary widely but that they should be largely finished by next November.

## **5. Monthly Data Dashboard**

Brandy Chambers, on behalf of the PAs, presented the statewide data dashboard through the end of November 2016. The presentation included updates on the electric and gas year-to-date achievements as a percent of the annual plan; as a percent of the three-year plan goals; and in comparison to 2015 by month. One point of emphasis was that the PAs did not anticipate making up the gap on residential lifetime savings.

Judson asked if Chambers could give some deeper insight as to why they would not be able to make up the gap on residential lifetime savings. Chambers noted that there are a few things that are up in the air and that they could discuss those in more detail when they have the finalized market adoption model in late February or early March.

Judson asked the PAs to think about whether or not there might be mitigation strategies that would allow them to still meet overall goals.

Chretien noted that spending and lifetime savings percentages are close and that that is good news. He noted that if the PAs spend according to their planned budget then they should come close to the lifetime savings goal. He added that he does not like seeing underspending, especially in areas where he feels there are plenty of opportunities.

Glynn noted that the dashboard was through November and asked what, if anything, occurred in December that would get the PAs closer to their planned spending. Chambers indicated that residential would not look much different, but that C&I should more than make up for that.

Boyd indicated that she was still not following why lifetime savings was lower than predicted. Chambers indicated that the DOE issued draft rules that strengthened EISA standards that were not anticipated during the planning period. She noted that the market transformed a lot faster than they thought it was going to.

## **6. Energy Efficiency and Grid Future**

Belliveau and Calcagni, on behalf of the C-Team, gave a presentation on energy efficiency considerations for grid modernization, time varying rates (TVRs), and energy as a service (EAAS).

### *Grid Modernization*

Calcagni began by describing what grid modernization is and what the Council's role is in it. She also reviewed the timeline of efforts in Massachusetts as well as its plans and short-term investments.

Johnson indicated that he did not understand how grid modernization would not have an impact on the next plan. Belliveau indicated that it is inevitable that it may be a player in the planning process, but it is not immediately clear right now how it would impact the plan. Newberger added that another consideration is timing and that they do not know when the DPU might issue a ruling on the grid modernization proceedings.

### *Time Varying Rates*

Belliveau gave an introduction to TVRs and the types of them, technology and other considerations for TVRs, and local and global examples of TVRs.

Winkler asked if the C-Team could elaborate on how they saw solar as a technology that could be supported by TVRs. Belliveau indicated that there is negative pricing in the market in the early afternoon hours because the market is not able to use all of the solar. He noted that with the right pricing structure, TVRs could support solar with energy storage.

Bosco indicated that they have concerns about the ability for remote shutoff of low-income customers that advanced metering infrastructure (AMI) enables.

Beth Delahajj of National Grid gave a quick introduction and review of results of their Smart Energy Solutions Pilot.

Winkler asked how they defined peak events. Delahajj indicated that they used day-ahead pricing. Winkler also asked if they had a sense of how results might have changed if they did not have the price protection as a failsafe. Delahajj indicated that only 8% of the pilot customers hit the bill protection. Swing asked if they experienced any customer complaints with the pilot being opt-out. Delahajj indicated that their retention rate during the pilot was 98% and that they did not really experience any customer complaints.

Chretien indicated that he did not think the Council would be doing its job if it did not look into TVRs. He noted that there is a lot to learn from National Grid's pilot. He also indicated that he did not think that the market would move forward TVRs on its own and that there are opportunities to capture benefits from TVRs without policy intervention. Glynn echoed this comment and added that her colleagues in California are at a loss for understanding how Massachusetts even functions without AMI.

### *Energy as a Service*

Belliveau reviewed what EAAS is, why it is being discussed, and gave some examples of it.

Gromer asked what the Council should do with all this information. Belliveau indicated that they should think about the considerations, and to the extent that they begin to tie into the Council's role, have more in-depth presentations in the future.

## **7. Customer Engagement Platform**

James Siegel gave an overview and demonstration of Eversource's customer engagement platform. He began by noting that the platform enables Eversource to have greater customer insights, personalized interactions with customers, and to be able to communicate proactively with customers. He also noted that as part of the platform, customers can see the specifics of how they use energy as well as ways for them to save.

As part of his demonstration, Siegel previewed a large C&I customer in their territory to show how the customer sees the platform. He highlighted that the platform has three years of usage and billing data and six years of energy efficiency participation data built in. He noted that they have rolled the platform out to their top 50 usage customers. He indicated that they are working to continue to roll the platform out to additional C&I, residential, and small business customers.

Boyd asked what Eversource is planning to do with the information. Using small businesses as an example, Siegel indicated that it would allow them to understand what segment a customer fits into which in turn would allow for a more streamlined process of recommending efficiency measures.

Belliveau asked what kind of customer inputs are needed for the platform to be effective. Siegel noted that the majority of the data comes from Eversource, but that items like building square footage or specific store names or numbers for retail customers would be best if provided by the customer.

Winkler asked if they planned to have any tutorials on the platform. Siegel indicated that they are considering things like tutorials, YouTube videos, and webinars.

## **8. Adjournment**

Judson adjourned the meeting at 4:10 PM.