

Massachusetts Energy Efficiency Advisory Council
 Meeting Minutes (DRAFT)
 Tuesday, September 20, 2011

Councilors Present:

Voting	Present (designee)	Non-Voting	Present (designee)
James Colman	Nancy Seidman	Derek Buchler	X
Martha Coakley	Danielle Rathbun	James Carey	Trish Walker
Penn Loh	X	Penni Conner	X
Mark Sylvia	Tina Halfpenny	Alisha Frazee	
Debra Hall	X	Kevin Galligan	X
Charles Harak	X	George Gantz	Thomas Palma
Elliot Jacobson	Jerry Oppenheim	John Ghiloni	
Jeremy McDiarmid		Paul Gromer	X
Rick Mattila	X	Andrew Newman	
Robert Rio	X	Richard Oswald	X
Deirdre Manning	X	Michael Sommer	X
		Carol White	X

DOER: Steve Venezia

Consultants: Jeff Schlegel, Eric Belliveau, John Livermore

Present:

Sam Nutter	Marie Harb	Jodi Hanover
Emmett Lyne	Jack Habib	Don Wells
Lisa Shea	Jodi Hanover	Paul Johnson
Jenn Kallay	Jeff Leupold	Theresa Lavoie
Erin Malone	Cara Mottola	Robbie Coates
Jeremy Shenk	Tilak Subrahmanian	Monica Kachru
Christine Vaughan	Crystal Beauregard	Shaela Collins
Francis Cummings	Vincent Martin	Brandon Jordan
David Minasian		

I. Public Comment

Tina convened the meeting at 2:18pm. Nutter gave a brief update on the on-boarding of Independent Insulation Contractors (IICs) and Home Performance Contractors (HPCs) into the Mass Save Home Energy Services (HES) program. He reported that it's been a busy summer, with 43 IICs receiving work assignments, an additional 25 IICs in process, and another 9 HPCs that have completed the training process that began on August 1st. Nutter indicated that CSG has been hiring energy specialists and are now up to 87 total, with a weekly audit capacity of 1,500. He noted that the next HPC training begins in October.

II. General Updates

Halfpenny introduced and welcomed Katie O'Rourke, the new deputy director for DOER for Energy Efficiency programs, who was previously with National Grid.

She noted that the next Council meeting is 3 weeks away and that Deidre Manning has offered a new meeting locale at Smith College, Ford Hall (LEED Gold certified), Northampton on October 11th, 2-5pm.

Halfpenny explained that the Council is moving into a very busy time, and that it seems appropriate for the EEAC to appoint an executive committee. She indicated that the committee would be responsible for dealing with a lot of the details that come to the Council, and surfacing issues for the Council. She noted that McDiarmid and Rathbun have volunteered, and asked for other volunteers. Oppenheim volunteered Jacobson. Halfpenny noted that the executive committee would replace the budget committee. White asked if it would be reasonable to have non-voting members sit on the committee, and Halfpenny indicated, yes, to attend meetings. Rathbun clarified that all committee recommendations would need to be brought to the Council for a vote. Rathbun motioned for a vote to authorize the executive committee; Rio seconded. The vote was met with unanimous Council approval.

The consultants were asked to leave the room for the 'Council Consultant RFR' agenda item.

White gave an update on National Grid. She indicated that behind the company reorganization is an effort to build an energy efficiency organization with a state focus. She noted that September 26th is the target date to release details.

Venezia updated the Council on the 2011 MTM process and DPU proceeding. He indicated that there was a public hearing held August 29th at DPU. CLU appeared with the public and testified about the state of the energy efficiency programs generally. He noted that DPU didn't give any firm indication when an order would be issued on the Memorandum of Agreement between the PAs and signatory parties, but expressed hope that it would happen soon. Venezia noted that CLU asked for more community mobilization initiatives and foreign language assistance, and gave a very favorable assessment of the EE programs.

Halfpenny gave a brief update on avoided costs and avoided carbon compliance costs. She indicated that there is a carbon compliance working group, and that the next step is to schedule a meeting to discuss, and come to agreement on an appropriate carbon compliance value for MA. Harak reminded the Council that along with reduced carbon, the program are also improving health.

III. 2010 Annual Reports

Schlegel updated the Council with a set of slides summarizing the 2010 program results. He noted that the 2010 Annual Reports were distributed to the Council on August 15th, and are the final numbers, subject to DPU review and approval. He indicated that it takes time to complete the report due to needing to apply the results of numerous EM&V

studies. Schlegel noted that electric performance incentives were based on evaluated savings, and gas PIs on deemed savings in 2010. He explained that in 2011 gas savings will be based on evaluated savings, which will be affected by factors such as net-to-gross ratio and free-ridership. Buchler noted that customers still achieved 100% of the savings, but that the evaluated savings are what PAs are allowed to claim. Schlegel summarized that it was a good year, with some shortfalls, and that results were overall either on target or close to on target. Halfpenny expressed appreciation of what the PAs are doing, and asked the PAs if they are planning to make up the shortfall in 3-year savings in 2012?

IV. 2011 Reporting and Status Updates

Harb presented a set of slides summarizing the Q2 Quarterly Reports quantitative results. She explained that savings overall all to-date compared to last year are higher, but percentage to goal (based on higher 2011 goals) is lower. She noted continued progress on gas and electric integration. Halfpenny inquired as to what is not integrated? White noted better C&I coordination and better screening tools. Harb indicated strong lighting and Cool Smart results, and strong demand for O-Power and HEHE. Gromer indicated that it would be very helpful to see where things are relative to where PAs are expecting to be (i.e. the hockey stick curve) as opposed to just percentage-to-goal; and perhaps an overlay graph. White noted the long lead time on many of the large projects, and that the PAs think they have laid the groundwork to get them to 75-85% of their goals.

Halfpenny asked the PAs about the behavioral pilot/program models being tested. The PAs noted Tendril, Efficiency 2.0 and O-Power. Harb noted that some ARRA money is being used in Low Income through April 1st.

Walker explained the significant economic challenges in the C&I sector, but indicated that there are some bright spots. She highlighted a customer with whom NE Gas has had a dialog for 3-4 years, and explained that they are currently installing EE measures. Rathbun explained that the customer had contacted the AG, and that NE Gas went above and beyond the call to bring this customer in. She offered congratulations.

Harb noted a new LED upstream lighting initiative. Halfpenny said she is encouraged to see the lighting program change the way they approach the market to maximize success. She asked why the C&I gas PAs are closer to goal than the electrics? Harb explained that the electric C&I goals ramp up more significantly – a steeper hill to climb. Harb presented the Data Dashboard result graphs.

V. 2012 Mid-Term Modifications (MTMs), Status and Schedule Update

Schlegel highlighted some key observations on the quarterly reports. He noted that the consultants looked at 2011 benefits/savings by sector versus plan results. He explained that Residential is doing fine, Low Income is catching up, and that the biggest concern is C&I which has the largest amount of savings to deliver and by far the largest difference in achieved versus plan. Even with a hockey stick curve, he noted, you want to be 1/3rd of the way to goal by mid-year. Schlegel pointed out that C&I was at 11% to goal at the end of June, and is now at 15%.

Rathbun asked what you can do if business owners can't start work until Fall? White explained that you have to be able to work with business customers' schedules, and their jobs tend to complete in the Fall. Subrahmanian noted the challenging economy and that C&I goals have gone up by 40-50%, so that even if you are doing better than last year, from a savings perspective, you are still behind. Schlegel pointed out that we were at 20% at mid-year last year, and are at 11% this year, so it is a concern. Rathbun suggested that the difficulty meeting goals calls for a close look at savings goals for the next 3-year plan. Loh noted his understanding that we are trying to drive innovation and capacity to help achieve the goals, and that we're not at the point yet where we've tried everything we should have tried. Halfpenny noted the large volume of evaluation studies, and suggested that we need to pause and figure out how to assimilate results of evaluation studies. Conner explained the PAs' focus on delivering savings this year, and positioning for next year. She noted the PAs are doing market analysis; helping us understand which markets we haven't reached and how we can reach them. Seidman indicated it would be helpful to me to hear some of the PAs ideas.

Hanover presented a slide set on potential MTM program modifications, highlighting trends, issues, and themes. She noted that the numbers are all preliminary, but that everyone shares the main goal of meeting savings targets. NSTAR and NGRID, she indicated, anticipate maintaining electric portfolio savings goals, while on the gas side roughly 85-90% of statewide portfolio savings goals are expected to be achieved. Schlegel explained that DPU allows MTMs to be considered for the following program year, within the construct of the 3-year plan, and that the MTMs are to be filed by the PAs at the end of October. He reminded the Council that this is an opportunity to have some discussion about MTMs, with the expectation that the Council would act at the October meeting. It is a very ambitious timeline, he noted.

Hanover asked for any comments on the PA's 4-page MTM format. She noted that there are no major trends among the electric PAs at this point, and that the gas PAs have a greater number of MTMs, with more commonalities. White noted that the draft MTM information is very preliminary and has not been QC-ed, and that final versions will be sent out before the October meeting. Hanover explained that the PAs are proposing to consolidate the Low Income single-family and multi-family programs into a single residential retrofit program. She noted that they are considering this as a template for combining programs in the next 3-year plan. Rathbun asked if either of the programs is not cost-effective on their own? White indicated that the PAs have found that Low Income SF and MF are cost-effective on their own, however there are other reasons (e.g. synergies) to combine the programs.

Schlegel presented a set of slides summarizing the consultant MTM review. He noted that the council's review of the plan is a very important activity, as other stakeholders look to the Council's review for guidance. Seidman reminded that Council that there are other objectives that we are hoping to achieve through this plan, and she referenced the 2020 MA Climate Plan, the Global Warming Solutions Act, and DEP air quality goals. White noted that, while there may be individual program changes, National Grid is holding to its electric portfolio goals for 2012. Halfpenny expressed that it appears the commitment is

there to achieve the 3-year plan goals. White agreed but indicated that there will be a reduction on the gas side.

Halfpenny read a statement from McDiarmid expressing that ENE is looking forward to participating in the MTM process, and is pleased that the PAs are committed to achieving the 3-year goals. The statement expressed disappointment that the PAs are not yet including a carbon compliance value, as stipulated in 08-50A, yet optimism about working out an appropriate carbon compliance cost with the PAs for use in the 2012 MTMs. Rathbun asked if there aren't already different values proposed for carbon compliance? Oppenheim indicated that there are currently three different values. Schlegel indicated that work on the EM&V plan needs to come to the October meeting for approval, and that now is time to provide input. Halfpenny noted that any information in advance would be appreciated.

VI. Looking Ahead to Next Three Year Plans (2013-2015)

Halfpenny reminded the Council that as soon as we surface from the MTM process we will dive into the 3-year plan process, with drafts due in April 2012. She noted the importance of making sure we maintain the collaborative process over next 6-9 months. Loh recommended that the Council look at our own process, to see if there is room for improvement, and so that we are repeating the things that have worked well. He suggested that the executive committee put on its agenda looking at other models or best practices that we want to learn from. Halfpenny agreed that the executive committee will be very involved, establishing a set of priorities that represents everyone here.

VII. Consultant Monthly Report

Belliveau noted some key highlights from the consultant monthly report, including working on metrics, analysis underlying the 3-year plans, etc. Rathbun expressed an interest to hear more about the new community initiatives and the low income QA/QC issue. Oppenheim indicated that they are close to resolution on the QA/QC issues.

VIII. Halfpenny adjourned the meeting at 5:00pm.