



MEETING MINUTES

December 16, 2015

McCormack Building
Ashburton Café Conference Room
One Ashburton Place, Boston, MA 02108

Councilors Present: Donald Boecke (for Maura Healey), Amy Boyd, Elizabeth Cellucci, Larry Chretien, Maggie Downey, Betsy Glynn, Paul Gromer, Frank Gundal (for Tilak Subrahmanian), Charles Harak, Paul Johnson, Judith Judson, Richard Malmstrom, Deirdre Manning, Jerrold Oppenheim (for Elliott Jacobson), Thomas Palma (for Cindy Carroll), Robert Rio, Nancy Seidman (for Martin Suuberg), Michael Sommer, Brad Swing (for Austin Blackmon), Amy Vavak (for Carol White), Eric Winkler, Danielle Winter (for Trish Walker)

Councilors Absent: Michael Ferrante, Michael McDonagh, Alana Murphy (for Chrystal Kornegay), Andrew Newman

Consultants Present: Eric Belliveau, Margie Lynch, Craig Johnson

DOER Staff Present: Ian Finlayson, Alex Pollard, Arah Schuur, Steven Venezia

Others Present: JoAnn Bodemer, Jenifer Bosco, Jessica Buno, Mona Chandra, Jonathan Goldberg, Jodi Hanover, Lyn Huckabee, Emmett Lyne, Steve Menges, Tom Rooney, Tabitha Vigliott, Sharon Weber

1. Call to Order

Judson called the meeting to order at 1:06 PM

2. General Updates

Judson noted that in 2016 the council would plan to hold its monthly meetings from 1-4 PM on the third Wednesday of each month. She also noted that the executive committee would plan to hold its monthly meetings from 2:30-4PM on the first Wednesday of each month. Winkler noted that Wednesdays are not typically good for him and that ISO could send a cover if needed.

Judson noted that the council would be taking its group picture at the next meeting on January 20, 2016.

Executive Committee Meeting Minutes – November 10, 2015

Boyd pointed out that Jonathan Goldberg's affiliation was incorrectly labeled. The minutes were amended to correct the error.

Boecke motioned to approve the executive committee minutes as amended. Glynn seconded. All were in favor, with no opposed. Boyd abstained. The minutes were approved, as amended, by the executive committee.

EEAC Meeting Minutes – November 18, 2015

Boyd motioned to approve the minutes. Manning seconded. All were in favor, with no opposed. Glynn, Malmstrom, and Rio abstained. The minutes were approved, as submitted, by the council.

Executive Committee Meeting Minutes – December 2, 2015

Boecke noted that his name was spelt incorrectly. The minutes were amended to correct the error.

Glynn motioned to approve the executive committee minutes as amended. Malmstrom seconded. All were in favor, with no opposed or abstaining. The minutes were approved, as submitted, by the executive committee.

DPU Process Update

Emmett Lyne gave an update on the DPU process for the three year plans. He noted that each PA filed their plans on October 30th which started a 90 day review and approval process at the DPU. He noted that during the discovery period, the PAs collectively responded to over 1,700 information requests and that DOER and the AG also responded to several information requests. Lyne went on to note that a public hearing and procedural conference was held on November 30th and that evidentiary hearings took place from December 8th-10th. He also noted that there were specific hearings for Cape Light Compact, Eversource, and National Grid. For next steps, Lyne noted that the PAs would be filing updated data tables on December 21st for any revisions or corrections that had occurred during the proceeding. He also noted that initial briefs would be due on December 29th and that reply briefs would be due on January 6th.

3. PA Data Dashboard Presentation

Steve Menges presented the statewide data dashboard through October of 2015 on behalf of the PAs. 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 goal, and in comparison to 2014 by month. It also included year-end projections.

Winkler asked if the PAs could provide an update on capacity savings. Menges indicated that they did not prepare an update on capacity savings but that he could check with the implementation team. Winkler stressed that meeting capacity is important and that he would like

to see updates on it in future dashboards. Judson noted that feedback on capacity savings in future dashboards would be useful.

4. PAs Super Peak Avoided Cost Study Update

Mona Chandra of National Grid updated the council on the super peak and demand response avoided cost analysis. Chandra began by noting that the study originated because the state wanted to know if benefits of energy efficiency and demand response savings were more at times of higher prices. Chandra then noted the primary tasks of the study which are to identify super-peak avoided costs for electric and gas energy, and to identify demand response peak avoided costs for electric energy. She noted that each of the tasks is focused on peak energy avoided costs and not peak demand or capacity. Chandra also discussed the expected analysis that would occur during the study as well as the anticipated results of the study.

Winkler asked a few questions about the study with respect to demand response. Chandra indicated that the study would use a model developed by National Grid which identifies demand response periods as a function of system load. She also indicated that it is seasonally adjusted and that impacts on pricing would be based on the dollar value. Winkler also noted that it would be helpful to address the potential impacts on capacity.

Chretien asked if the scope of the study could be expanded to include benefits to consumers. Chandra indicated that the demand reduction induced price effect on energy is part of the model. Chretien also suggested that the benefit cost ratio should capture emissions reductions as well if possible. Seidman added that if the study has MWHs saved in peak periods then it would not be difficult to do a rough calculation using ISOs marginal emissions factor.

Boyd noted that Acadia Center believe that it is important to include weather in the modeling given that a really hot summer afternoon will result in different pricing than a mild summer afternoon. Chandra noted that this has been and will be a point of discussion.

5. 2016 Council Priorities

Schuur noted that the updated 2016 council priorities document reflects comments made by councilors at the November meeting. She asked councilors to provide additional comment and feedback and noted that a final resolution would be drafted in January.

Boyd noted that she thought that the original draft of this document made more sense. She also noted that she did not think it was appropriate for the council to be including strategic resource planning as part of its priorities. She also noted that she would like to see the council be more forward looking with energy efficiency in terms of solving problems instead of being reactive.

Gromer noted that the strong support from the administration and the attorney general's office was a key part in generating aggressive plans. He suggested that the priorities should include some language to capture that that support continues.

Seidman suggested that the document have an overarching statement that establishes the priorities as an integral part of meeting goals.

Malmstrom recommended that a small note be added to indicate that just because something might not be listed in the resolution does not mean the council is not thinking about it.

Seidman asked why priority one did not call out the commercial and industrial (C&I) sector while priority two did. Schuur noted that priority one was focused on specific new initiatives called out in the resolution whereas priority two was more about the overall sector goals and making sure that lessons learned are being tracked into the new plan.

Johnson noted that he thought the language in priority four seemed weaker than it did in the previous version and recommended that the language with respect to the statewide database needs to be strengthened. Boyd agreed.

Boyd noted that the word “content” was removed from the third bullet in this priority from a previous version and recommended that it be re-inserted.

Rio noted that he thinks that the council should think about how to integrate energy efficiency into other programs. Schuur noted that the council has exhibited interest in having an aspirational and broadly worded priority to capture ideas like that. She indicated that priority five is an attempt to have a broadly worded priority that fits into the council’s legislative authority.

Swing noted that he thinks the council needs to consider understanding the potential benefits of microgrids as they relate to energy efficiency. He also recommended that the council explore the relationship of energy efficiency implementation and resilience to identify if there are climate adaptation benefits beyond system reliability benefits. Boyd echoed this point.

Oppenheim noted that some of the items in this priority could have different impacts on the low income sector and that consideration of that in the priority would be beneficial.

6. Changing the MTM Criteria Process for EEAC Review

Venezia noted that the DPU has requested that parties involved in the three year plan proceedings consider a change to the mid-term modification (MTM) portion of the energy efficiency guidelines. He noted that if the revisions were adopted, the bill impacts related to a change in the approved energy efficiency surcharge would no longer be a trigger for a MTM. He noted that instead, an increase to a sector level three year term budget that is greater than 20% would be required to prompt council and department review. He noted that DOER has not had enough time to give the proposal serious thought.

Judson asked each of the councilors to note their feelings with respect to the matter.

Oppenheim noted that he has not reached a conclusion on the matter.

Harak noted that he would encourage DOER to raise concerns about the timing of the matter. Chretien noted that he would oppose the change in the guidelines and thinks the matter should be separated from the three year plan process.

Boyd noted that she thought it was potentially a bad idea and that it should be separated from the three year plan process.

Glynn noted that she was opposed to the proposed changes and the timeline the DPU put forward.

Johnson noted that he was opposed to the proposed changes and indicated that any changes to the status quo need to be brought to the council more directly.

Boecke noted that he has not had time to review the matter and so he does not have an informed opinion. He also noted that he supported other councilors' concerns with respect to the timing of the matter.

Lyne noted that the PAs do not have a comment on the substance of the matter. He also recommended that if the council is to opine on the matter that it should do so only after a discussion of the potential pros and cons of it.

Swing noted that he is concerned about the procedural irregularity of how this matter was raised. He also noted that there was not enough time given for the council to understand why the change is being proposed and its potential impacts.

Rio noted that he was concerned about the timing of the matter and agreed that the council should have a conversation about the pros and cons of the proposal.

Seidman noted that at a minimum the council should comment on the process of the matter.

Manning and Malmstrom attached themselves to Boecke and Swings comments.

7. Proposed Topics for 2016

Belliveau presented on the proposed meeting schedule for 2016. He noted that for the most part each month's meeting would follow a theme as outlined below.

- January – Council priorities and consultant team workplan and budget
- February – C&I
- March – Residential
- April – Peak Demand
- May – EM&V and Q1 Results
- June – 2013-2015 Results
- July – TBD
- August – TBD
- September – TBD and Q2 Results
- October – C&I
- November – Residential
- December – TBD

Harak recommended that a discussion on the hospital and healthcare sector should be a point of focus for the C&I months. He also noted that it would be interested to hear from the DEP on the Clean Power Plan and how it affects energy efficiency.

Johnson recommended that there be some discussion about what other states are doing that Massachusetts could consider doing.

Schuur noted that the topics are flexible and are not locked down.

8. Three-Year Planning Process – Lessons Learned

Pollard noted that DOER would like to get some feedback from the council on lessons learned during the three year plan planning process. He introduced six questions and asked councilors to comment on each of them.

Question 1 – Was the workshop process the right venue for the Councilors, PAs and the EEAC Consultants to discuss topics and develop recommendations for the plans? How could this workshop process be improved? Could the briefing documents that were circulated and used as the informational basis for the C&I and Residential workshops have been more useful? Are there other products that could be produced that would be more effective? Are there ways that the Council can better produce key recommendations?

- Process

Glynn noted that she liked the process and that she would add some sort of venue for online comments by members of the public who could not attend the workshops. She also noted that in some cases there was disconnect between the notes provided by the moderator and used in the resolution and what was actually said or discussed at the workshops.

Harak noted that he thought the process was helpful and that it would be good to get more involvement from the public or persons not on the council.

Malmstrom noted that the informal nature of the workshops was a key to their success. He also noted that he thought they were a little disjointed at times and that the next time around the themes could be better.

Johnson noted that he thought the workshops would have been better if the process allowed more back and forth.

Seidman suggested that they start planning the workshops for the next planning phase in the middle of 2017.

Gromer added that he thought the workshops were too ambitious and that they would have benefited from more concise topics.

Swing noted that he thought it would be helpful to the council if they had heard from the PAs about how the workshop process related to the advice of the council and the formation of the plan itself. He also noted that having outside facilitation was helpful in keeping the workshops moving.

- Briefing Materials

Harak suggested that it would have been better if they were more concise and if they received them sooner. Johnson agreed.

Question 2 – Do councilors feel that the two full public comment meetings and public comment opportunities at every EEAC meeting were adequate for the broader public/stakeholders to provide input to the Councilors?

As a whole, the council indicated that they thought there were sufficient opportunities for the broader public and stakeholders to provide their input and that these opportunities were useful. Glynn reiterated that having some sort of online format for submitting comments would be useful.

Question 3 – Were the resolutions an effective vehicle for capturing and communicating councilor input on the plans? If not, what might be a better method?

Malmstrom noted that he thought the translation of ideas to a resolution was clumsy and recommended that in the future the council should take information, ideas, and thoughts out of workshops and distill them into concise themes. Rio agreed.

Chretien indicated that he thought the resolution process was generally okay. However, he noted that he did not like the process in which the term sheet was developed. He noted that he thought the council should do away with the concept of a term sheet and instead have a resolution that captures that content.

Johnson added that he thought the drafters of the resolution did a very good job.

Question 4 – Were there any areas of interest for councilors that did not get addressed to their satisfaction in the planning process? If so, what area(s) and what would they have liked to see and what mechanism would be best to address these areas of interest?

Chretien noted that he was disappointed that the performance incentive (PI) never came up during the workshops or council meetings earlier in the planning process. He noted that the PI needs to be discussed earlier in the process. Boyd, Glynn, and Harak all echoed this point. Swing added that he would have liked to know more about the role of the council and the DPU in terms of connecting evaluations to the PI.

Johnson noted that he would have liked more discussion with respect to potential studies. He indicated that the ones that were done did not represent an adequate examination of the potential.

Question 5 – This time the planning process lasted just about a year. Since we are looking three years ahead this time, what are some ways to take advantage of the extended timeframe?

Harak recommend that the council discuss a narrower list of topics.

Malmstrom recommended that the council take a year off from the planning process and start discussing the next one in early 2017.

Boyd noted that strategic topics along the way in 2016 will help the council be better prepared for the planning process later on. She also suggested that the council have a workshop on the PI within the next year.

Glynn noted that she thought the exercise the council used to identify priorities was not effective and that the council would be better served to come up with a different method.

Boecke noted that the workshop were particularly useful. He also stressed that the council should not put too much emphasis on the PIs, noting that they are not out of line. Johnson agreed that the PIs are not out of line, but that the council should explore how they can use the PI to push the PAs in areas where they are underperforming.

Question 6 – What would you do differently next time around? What would you do the same way next time?

Boyd noted that she agreed with Chretien's earlier comment to replace the term sheet with a resolution that captures that content.

Seidman noted that negotiating sessions need to be done in smaller groups and that it is reasonable for the council to be informed by the negotiating group about what it is doing. She also suggested that the council should try to set and meet deadlines so it has adequate time to read and review meeting materials.

Boecke noted that having the outside independent moderator was a valuable part of the process.

Johnson noted that the council should do anything it can to encourage a more collaborative process between itself and the PAs.

Judson thanked everyone for their feedback on the process and noted that she was glad that they are already thinking about the next planning phase.

9. Adjournment

Judson adjourned the meeting at 4:07 PM.