



MEETING MINUTES

Wednesday, November 20, 2019

100 Cambridge St, 2nd Floor

Conference Rooms B & C

Boston, MA 02114

Councilors Present: Greg Abbe (for Janelle Chan), Cindy Arcate, Don Boecke (for Maura Healey), Amy Boyd, Cindy Carroll, Elizabeth Cellucci, Tim Costa (for Victoria Rojo), Justin Davidson, Maggie Downey, Paul Gromer, Frank Gundal (for Tilak Subrahmanian), Charlie Harak, Elliott Jacobson, Paul Johnson, Judith Judson, Jane Lano, Rick Malmstrom, Deirdre Manning, Cammy Peterson, Robert Rio, Stephanie Terach, Mary Wambui, Sharon Weber (for Martin Suuberg), Stephan Wollenburg (for Chris Porter)

Councilors Absent: Michael Ferrante, Andrew Newman

Consultants Present: Eric Belliveau, Gretchen Calcagni, Craig Johnson

DOER Staff Present: Rachel Evans, Maggie McCarey, Emily Powers

1. Call to Order

Commissioner Judson, as Chair, called the meeting to order at 1:06 PM. Commissioner Judson announced that she had accepted a position at a company in the private sector and that as a result this would be her last Council meeting as the Commissioner.

2. Public Comment

Steve Cowell – E4TheFuture

Cowell began by thanking Commissioner Judson for her time served as Chair of the Council. Cowell noted that E4TheFuture had worked with Synapse Energy Economics to produce educational materials on solar that could be handed out to customers. He indicated that he heard that the PAs were looking into providing a link to it on their websites and was wondering if any progress had been made on that. Cowell also noted that he has a team working on an overview of how fuel blind targets and goals are established in other jurisdictions. Lastly, he noted that they

had engaged with a consulting firm to look at what the impact electric vehicles and heat pumps might have on ISO-NE's total load and load shape.

Walter Mena – Merrimack Valley Project

Mena noted that the 2019-2021 energy efficiency plan called on Columbia Gas to equitably deliver no cost insulation and air sealing incentives to all three communities affected by the 2018 gas disaster in the Greater Lawrence area. He indicated that the results of these efforts have been mixed and so he, along with others, including state and local officials, sent a letter to Columbia Gas to request that the enhanced programs be extended through 2020. He indicated that Columbia Gas had responded with a commitment to request an extension by the Department of Public Utilities (DPU). He urged the Council to utilize its influence to petition the DPU to honor the request. He also requested that the Council assist in making sure the DPU includes a targeted marketing campaign as a feature of the special incentives program that Columbia Gas is requesting to offer in 2020.

Tilak Subrahmanian – Eversource

Subrahmanian gave public comment to thank Commissioner Judson for all her time and effort as Chair of the Council.

3. Council Updates & Business

October 2, 2019 EEAC Executive Committee Meeting Minutes

Boecke motioned to approve the minutes as submitted. Boyd seconded. All were in favor, with none opposed or abstaining. The minutes were approved, as submitted, by the Executive Committee.

October 16, 2019 EEAC Meeting Minutes

Peterson motioned to approve the minutes as submitted. Rio seconded. All were in favor with none opposed. Harak abstained. The minutes were approved, as submitted, by the Council.

4. Active Demand Reduction Updates

Ezra McCarthy and Roshan Bhakta, on behalf of the Program Administrators (PAs), gave a presentation on their active demand reduction efforts. In their presentation, they reviewed updates to its residential and commercial and industrial (C&I) offerings which included information on 2019-2021 program design and 2019 summer performance. They also reviewed the evaluation timeline for 2019 summer activity and their plans for 2019-2020 winter activities. They concluded with an overview of their proposed timeline and plan for seeking the Department of Public Utilities' (DPU) approval of a fully scaled daily dispatch program.

Council Discussion

Boyd asked why the PAs only called one electric vehicle charging event. McCarthy noted that the PAs received approval from the DPU to run electric vehicle charging programs in two ways. He indicated that Eversource got approval for controlling chargers and National Grid got approval for controlling devices, which is similar to the WiFi thermostat model. He added that the PAs have been working with automobile manufactures on that effort but that it had been difficult for the PAs to get and continue dialogue with the automobile manufacturers. Boyd

asked if they would have the ability to run the programs next summer. McCarthy indicated that they are trying their best to do so.

Boecke referenced the PAs proposed timeline and asked if they could afford to wait until March of 2020 to enroll new customers for summer events. McCarthy indicated that the PAs anticipate that they would continue the existing demonstrations with budget levels increased if they were not granted full approval in time for summer enrollment. Boecke asked if it would be possible to target a filing date in February. McCarthy indicated that he was not sure that February would be feasible but that they would work to file as soon as possible. Bhakta added that the daily dispatch efforts increase from about five hundred customers in 2019 to about five thousand customers in 2020.

Peterson asked if DPU approval of the PAs filing in 2020 would result in increased budgets for these efforts. McCarthy indicated that it would. Peterson asked what the PAs plan would be to move and expand the battery storage market. Bhakta indicated that one thing they plan to do is to ask for approval for a five-year incentive plan because they have heard from potential customers that a longer-term view is needed to encourage participation.

Manning highlighted a benefit of the active demand reduction programs that she felt others might not be aware of. She noted that the convention center participated in the program and as part of that they were able to get real-time metering information. She indicated that as a result, they were able to drop their capacity tag from over 5,000 kilowatts down to about 2,500 kilowatts. Manning noted that that would likely save the convention center upwards of \$320,000 dollars in its next fiscal year.

Arcate asked if daily dispatch would only be offered for battery storage or if it would be offered for thermostats as well. McCarthy indicated that they would not offer daily dispatch for thermostats given that customers would not respond well to that. He added that thermostat efforts would be treated through efforts that target seven or eight events per summer.

Johnson asked what percentage of the total demand the programs saved. McCarthy indicated that about 100 out of 24,000 megawatts were saved on the peak day.

Johnson asked what the payback period was for battery storage. McCarthy indicated that it depends on several variables, but that with the PA's incentives it would be about five years.

Belliveau asked if the PAs had a decision tree for determining who would participate in a scenario where they have more customers wanting to enroll than they could handle given their budgets. McCarthy indicated that they have not experienced that yet. Bhakta added that this would only be an issue for daily dispatch and that they would treat customers on a first come, first served basis.

5. New Program Enhancements not included in 2019-2021 Plan

Ezra McCarthy, Jonathan Goldberg, Peter Klint, Stephan Wollenburg, Amit Kulkarni, and Maggie Downey, on behalf of the PAs, gave a presentation on new technologies and products.

They began by reviewing the statutory and regulatory context behind the Energy Act of 2018 that amended the Green Communities Act. They then reviewed the PA's process for considering and adding new measures and technologies to the program. This included a review of the role of research and development and demonstrations. It also included a discussion of how the PA's implementation, evaluation, measurement, and verification (EM&V), and Massachusetts Technical Assessment Committee (MTAC) groups are involved. The PAs also reviewed recent additions to the programs as well as other technologies that are under consideration for future inclusion to the programs.

Council Discussion

Manning asked if the PAs would be able to claim fuel switching benefits for C&I customers who install ground source heat pumps. McCarthy indicated that they would. Peterson asked if the PAs have considered ground source heat pumps for residential new construction or end of life fossil fuel system replacement. Wollenburg noted that one of challenges with considering ground source heat pumps is that it is difficult to accurately model the increased energy consumption associated with pumping. He added that there is a lot of site-specific work that is needed for those systems which can also make them less cost-effective.

Malmstrom referenced the Cape Light Compact's (CLC) Cape and Vineyard Electrification Offering (CVEO) and suggested that it was an example of where he thought all energy efficiency programs should be going in the future.

Johnson asked how many new technologies are considered each year. Klint indicated that one or two technologies are considered each year for the residential programs and about a dozen for the C&I programs. Johnson asked how long it takes on average to get new measures into the program and what incentive do the PAs have to get new measures into the program. Wollenburg indicated that the timeline for bringing new measures into the program is measure or technology specific. He added that the PAs are incentivized and compensated to achieve the greatest savings at the lowest cost.

Belliveau asked how many suggestions the PAs have received through the unsolicited proposal process. Wollenburg indicated that he was not sure that any had but noted that that would not correlate with the number of unsolicited proposals the PAs may have received through other venues. Belliveau asked if the PAs would answer anything that might come through the unsolicited proposal process. Wollenburg indicated that they would. Belliveau indicated that he was aware of a few companies that have submitted suggestions through the process and have not heard back.

6. 2019 Council Priorities Discussion

Belliveau and Calcagni, on behalf of the consultant team, led a discussion on the Council priorities. As part of their discussion, they reviewed progress made towards each of the Council's six 2019 priorities and each of their sub-priorities. For each sub-priority, they assigned a color of red, yellow, or green. Green indicated that the priority was completed, yellow indicated that progress had been made but not yet complete or achieved, and red indicated that progress had not been made.

Commissioner Judson noted that several of the sub-priorities were marked with a yellow dot and that many of those were priorities that would only be completed over a multi-year effort. She suggested that the Council might need to think about how the priorities document is used given that it is an annual snapshot within a three-year plan.

Council Discussion on Priority 1

Boyd noted that as part of the integrated residential program design enhancements there was a goal to keep weatherization numbers high, even as the programs transition away from in-home visits. She indicated that she was unable to tell whether the number of participants and the amount of insulation and air sealing was consistent. She added that she did not think that the Council have received an answer to that question.

Johnson asked if participants who did insulation are being counted the same as those that did insulation, air sealing, and duct sealing. Johnson also expressed concern that the PAs could be double counting participants. Wollenburg indicated that counting participation is complicated and that he was not well-suited to answer the question at that time.

Weber noted that the residential redesign was an important effort for the current three-year plan and expressed concern that it was marked as yellow despite being nearly a third of the way through the plan. Weber also noted that it takes a long time to establish a good baseline for key performance indicators. She suggested that she might want to ask for more key performance indicators starting in 2020 instead of waiting for the next three-year plan.

Commissioner Judson emphasized the importance of weatherization and not getting away from doing those types of projects. She noted that in DOER's Comprehensive Energy Plan, they found that the greatest amount of emissions reductions and cost benefits was achieved with deep energy efficiency retrofits.

Council Discussion on Priority 2

McCarey noted that the study that was included in the term sheet on winter benefits had been delayed in 2019 due to some work that was happening at the ISO level that could impact the study results. She added that the hope is to re-engage on it in 2020 and that it is still a priority.

Commissioner Judson noted that the Commonwealth does experience high costs in the winter and so the cost-benefits of addressing winter peak are important to get right. McCarey noted that she is interested in continuing a conversation on the potential for gas demand response programs.

Council Discussion on Priority 3

Johnson noted that the PAs had only installed about one hundred heat pumps in 2019. He asked why the number of installations was so low and what the PAs were doing to increase those numbers. Gundal indicated that it is a work in progress. He added that many heat pumps that have been installed are being used almost exclusively as air conditioners. Lyne reminded the Council that the PAs report on heat pump numbers at the end of the second and fourth quarters and so the Council would receive updated numbers for 2019 year-end early in 2020.

Wambui noted that she was appreciative of the passive house efforts. She added that there was a new passive house building being built in Roxbury that would likely not have been built without the program. Wambui also stressed that assessments are important. She referenced that the City of Boston, through its Building Energy Reporting and Disclosure Ordinance (BERDO), is insisting that buildings over 50,000 square feet have energy assessments that meet ASHRAE Level 2 Standards. Wambui indicated that she hoped that energy optimization would include some type of coordination with standards that municipalities have established.

Johnson expressed concerns about the lack of progress on the energy optimization calculator and on energy specialist training. Wollenburg noted that the Clean Energy Center started work on a calculator before the PAs started working on theirs and so they have been coordinating with them to ensure that the two calculators do not end up producing mixed results. He also noted that they are holding trainings for contractors to help them understand the incentives that are available for heat pumps. Boyd noted that it would be great if the calculator could be a tool that could be used by both customers and contractors.

Council Discussion on Priority 4

Harak noted that John Wells has recently digitized multi-family data from the past ten years and that they were working on doing the same for single family.

Johnson asked what the results of the LEAN demonstration program were. Wollenburg indicated that LEAN found that the majority of customers had already been served in either the low-income or standard market rate programs. Wollenburg also noted that a major outcome of the demonstration was that they heard that many customers did not have the financial ability to afford new heating systems.

7. Columbia Gas Greater Lawrence Update

Cellucci noted that spending for the entire Merrimack Valley at the end of October was \$9,800,000 and that each of the three communities had received at least \$2,000,000 each. She added that they had performed about the same number of market rate audits in Lawrence and North Andover, but that fewer of those audits resulted in completed projects in Lawrence. She hypothesized that it might have something to do with the housing stock.

Cellucci indicated that in response to the Merrimack Valley Project, the state delegation, and Senators Warren and Markey and Representative Trahan, Columbia Gas agreed to seek permission from the DPU to extend the enhanced program offerings for 2020. She noted that if the filing goes forward with the DPU, the Council would be asked to support or not support the extension of the program offering, likely through a mid-term modification. She indicated that she would put together a deep dive on data related to spending, cost to achieve, and participation so that the Council can be more informed to discuss it in December.

Cellucci noted that there is no doubt that the cities need the assistance. She did, however, express some concerns over potential equity problems for the other towns Columbia Gas serves when about twenty percent of her budget is going to the three towns in the Greater Lawrence Valley.

Wambui expressed concern that extending the program for another year without mitigating the factors that resulted in lower job numbers in Lawrence would lead to the same results. She suggested that the program would need some changes that would result in increased job completions in Lawrence if the program is to be extended.

8. Adjournment

Commissioner Judson, as Chair, adjourned the meeting at 4:06 PM.