



MEETING MINUTES

October 16, 2015

100 Cambridge St., 2nd Floor
Conference Rooms C and D
Boston, MA 02114

Councilors Present: Marie Abdou (for Carol White), Donald Boecke (for Maura Healey), Amy Boyd, Cindy Carrol, Larry Chretien, Maggie Downey, Betsy Glynn, Paul Gromer, Elliott Jacobson, Paul Johnson, Judith Judson, Richard Malmstrom, Alana Murphy (for Chrystal Kornegay), Nancy Seidman (for Martin Suuberg), Lisa Shea (for Tilak Subrahmanian), Eric Winkler (by phone)

Councilors Absent: Elizabeth Cellucci, Michael Ferrante, Charles Harak, Deirdre Manning, Michael McDonagh, Andrew Newman, Robert Rio, Michael Sommer, Brad Swing, Trish Walker

Consultants Present: Jeff Schlegel, Gretchen Calcagni, Craig Johnson

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

1. Call to Order

Judson called the meeting to order at 9:38 AM. She noted that the location of the October 21, 2015 EEAC meeting changed and would now be held at the usual location. She also noted that the start time of that meeting would be moved from 12:30 PM to 1:00 PM.

2. EEAC Budget Letter to the DPU for 2014-15

Schuur noted that every year the EEAC needs to provide the budget letter to the DPU. She noted that the executive committee needed to vote on whether or not they were ready to bring the letter to the full council for a vote on October 21, 2015.

Malmstrom motioned to bring the letter to a vote by the full council on October 21, 2015. Boecke seconded. All were in favor, with no opposed or abstaining. The motion was passed by the executive committee.

3. 2016-2018 Plan Discussion

Judson began by noting that it was clear from the comments received that the council wanted to see a change in the savings trajectory for annual electric savings so that it is increasing year to year as opposed to decreasing.

Overview of Councilor Comments

Schlegel presented an overview of the written comments that individual councilors submitted as part of their review of the 2016-2018 Three-Year Plan (the Plan). He noted that with respect to the term sheets, the councilors' primary issue was concern about the declining electric annual savings targets. He also noted that councilors made many comments on the Plan text, particularly as it related to program descriptions and the program administrators' (PAs) responses to the EEAC recommendations. Schlegel concluded by noting that these comments, along with council discussions at previous meetings, were incorporated into a draft resolution.

Johnson noted that a few of his comments did not make it into the overview of councilor comments. These included behavioral programs for commercial and industrial (C&I) customers, allowing the demand reduction working group to be open to all parties, and other comments about the HES program.

Emmett Lyne noted that the PAs took into consideration the council's concern with respect to the declining savings goals. He indicated that the PAs worked on a revised version of the electric plan to respond to the council's primary concern of decreasing annual savings goals. He noted that the revised version has a progressive increase in annual savings year over year, slightly increased lifetime savings, and maintains the cost to achieve. He also noted that the level of benefits are maintained at over 8 billion dollars for the entire Plan.

4. EEAC Resolution on the Plan

PAs Response to Comments and Draft Resolution of the Plan

Lyne, on behalf of the PAs, noted that the draft resolution was well received by the PAs and that nothing in the draft was surprising. He then reviewed the PAs proposed edits to the draft resolution ([available on the EEAC website](#)) and emphasized their comments on the second set of bullets. Judson noted appreciation for the proposed edits. Boyd asked whether the proposed edits by the PAs were representative of a commitment. Lyne indicated that they were representative of commitments that the PAs would make.

With respect to the second set of bullets in the draft resolution, Boyd expressed some concern with some of the language that the PAs were proposing to remove from the 1st and 5th bullets. Murphy added that she was okay with their proposed language for the 3rd bullet, but suggested that it read "public funding agencies" as opposed to "public housing agencies." Malmstrom noted that he was encouraged by the language that the PAs added to the 6th bullet.

Council Discussion on the Draft Resolution of the Plan

Gromer noted that he thought the draft resolution was in great shape in that it was concise and strong. Malmstrom agreed, noting that it exceeded his expectations and that he fully supports the inclusion of language that recommends the DPU to continue its investigation on the need for a state-wide database. Jacobson commented on the consistency aspect of the resolution and encouraged that those working on the issue leave room for the PAs to be creative with what they offer. Boecke recommended that the resolution not use the word negotiated as it gives an impression that some sort of agreement was signed, which was not the case. Judson agreed.

Seidman noted she would like to see stronger language for the resolution's points about consistency. She also suggested that there be some additional language about detail for midsized customer strategies. Seidman also noted that the wording of the last bullet in the first set of bullets was awkward given that the resolution is from the Council, yet it reads "We expect the Council and the PAs will continue to work collaboratively..."

Johnson noted he would like to see some of the language in the draft resolution be more precise with its intent. In particular, he noted that:

- He disagreed with the use of the word "most" on line 98, citing that the Plan does not cover most of the council's recommendations.
- Line 106 should have the word "approve" replaced with "implement."
- Line 110 should include language that discusses penetration on particular market segments.
- Line 115 should recommend that the DPU complete its investigation, not just continue it.
- There are other important components not included in the resolution, such as behavioral programs for the C&I sector and a review of HES studies.

Boyd offered several comments. First, she recommended that the resolution offer more praise for the Plan as it is ambitious and is something the council should be proud of. Second, she recommended that the language discussing the PA differences should try to get at the issues of consistency so that services are equitable across the state. She also suggested including language to note that the council encourages the PAs to continue the joint planning and best practices efforts. Third, she recommended the removal of some language that could create an unnecessary division between councilors. For example, she noted that the resolution does not need to call out the term sheet separately as it is part of the plan. She also suggested that the first footnote in the resolution be replaced with language that indicates that voting members voted to approve the resolution. Lastly, she recommended some editorial edits such as referring to the plan as revised and not as a draft.

Glynn offered comments on two areas of the resolution. First, she suggested that the first sentence of the fourth paragraph include language that notes that the negotiation process included input from the EEAC. Chretien and Boyd agreed. She also suggested that the last sentence of that paragraph that compared the revised Plan goals to the April draft of the Plan be removed and replaced with a sentence that recognizes the high goals of the Plan. Judson noted that that language was included because the DPU received the April draft of the Plan and that it is important to be clear what changes were made.

Chretien indicated that he thought the resolution talked too much about the Plan overall. He noted that he saw the Plan as being strong on the residential side, but weak on the C&I side. He noted that the Plan numbers for C&I are lower than what is currently being projected for 2015 and what was achieved in 2014. He noted that the numbers in the Plan suggest that peak efficiency has been reached for C&I, something that he does not agree with. He suggested that the language in the resolution about C&I reporting would not improve the historical under-performance in the sector. Lastly, he noted that he would be making a motion at the next council meeting to add language to the resolution that recommends a splitting of the performance incentive between sectors, along with an increase of the threshold from 75% to 80%. He indicated that he would not vote for the resolution if this language was not included in it. Johnson noted that he would second Chretien's motion if he makes it and that he would also seriously consider not voting in favor of the resolution if it does not pass.

Boecke and Judson expressed concern about adding language to the resolution with respect to splitting the performance incentive. Judson noted that the DPU has the ability to change sections of the Plan at their own will and that she felt that adding certain language could lead to unintended consequences that would not be favorable for the council.

Downey commented on the issue about consistency and recommended that the resolution use the word equivalency instead. She noted that not all utilities are the same and that in many cases it is better for them to be flexible and to be able to do different things.

Judson concluded by noting that the councilors' comments during the discussion were incredibly helpful and that they would take them into consideration in a revised draft of the resolution. She emphasized that the resolution should be seen as a starting point and not an ending point. She indicated that a revised version of the resolution should be available by the end of the day on October 19, 2015.

5. Adjournment

Judson adjourned the meeting at 11:31 AM.