

**Massachusetts Energy Efficiency Advisory Council**  
 Meeting Minutes  
 Tuesday, January 15, 2013

**Councilors Present:**

<b>Voting</b>	<b>Present (designee)</b>	<b>Non-Voting</b>	<b>Present (designee)</b>
Nancy Seidman	X	Elizabeth Cellucci	X
Martha Coakley	Matt Saunders	James Carey	Trish Walker
Penn Loh		Penni Conner	Tilak Subrahmanian
Mark Sylvia	Tina Halfpenny	Michael Ferrante	
Debra Hall	X	Alisha Frazee	
Charles Harak		Maggie Downey	X
Elliot Jacobson	X	Cindy L. Carroll	Tom Palma
Jeremy McDiarmid	X	John Ghiloni	
Rick Mattila	X	Paul Gromer	X
Robert Rio	X	Andrew Newman	X
Deirdre Manning	X	Michael Sommer	X
Brad Swing	X	Carol White	X
Michael McDonagh	X	Eric Winkler	X

DOER: Steve Venezia

Consultants: Eric Belliveau, Jeff Schlegel, Sam Huntington, John Livermore

**Present:**

Beth Lonergan	Matt Nelson	Lisa Shea
Charlie Olsson	Margaret Song	Meredith Miller
Emmett Lyne	Frank Gundal	Marie Abdou
Sue Kaplan	Lyn Huckabee	Brian Kearney
Dave Gibbon	JoAnn Bodemer	Larry Chretien
Jodi Hanover	Natalie Hildt	Lyn Huckabee
Staci Rubin		

Halfpenny called the meeting to order at 1:15pm and welcomed everybody.

**Welcome New Councilors**

Halfpenny asked each of the new councilors to introduce themselves: Eric Winkler (ISO-NE), Brad Swing (City of Boston, Mayor's office of Environment and Energy), and Mike McDonagh (Real estate industry).

Belliveau updated the council on the small energy business Councilor selection process, indicating that the nomination deadline is January 18<sup>th</sup> and that the 2-3 week election process would start on January 25<sup>th</sup>. He noted that the winning candidate's name would be forwarded to DPU for approval, and that the new Councilor would likely be seated in March.

## **Public comment**

No public comments.

## **General Updates**

### *Meeting Minutes Approvals*

Executive Committee (11/8/12, 12/20/12)

Saunders motioned for a vote to approve the November 8<sup>th</sup> EEAC EC meeting minutes; McDiarmid seconded. Voted and approved.

McDiarmid motioned for a vote to approve the December 20<sup>th</sup> EEAC EC meeting minutes; Saunders seconded. Voted and approved.

EEAC (11/5/12, 11/13/12)

McDiarmid motioned for a vote to approve the November 5<sup>th</sup> EEAC meeting minutes; Rio seconded. Voted and approved. Halfpenny abstained.

Seidman motioned for a vote to approve the November 13<sup>th</sup> EEAC meeting minutes; Saunders seconded. Voted and approved. Seidman abstained.

### *Energy Policy Commission Update (DOER)*

Halfpenny indicated that the Energy Policy Commission had met for the first time last week, with the mission to further renewables and energy efficiency, and to reduce costs and increase energy reliability in the Commonwealth. She noted that the Commission, which includes Jacobson and Rio, is mandated to issue a report on July 1<sup>st</sup> 2013, and will be holding a public meeting on Thursday, January 17<sup>th</sup> at the DPU offices. Jacobson indicated that the Commission is in an education process to understand their role, reviewing all relevant studies. Rio noted that they are educating others Commission members on energy issues. McDiarmid explained that the legislation is clear that this group is not duplicative of the EEAC.

Halfpenny explained the history of the Council's Executive Committee for new Councilors: Created in 2012; Acts as a sounding board for the Council; Manages Consultant budget. She noted that EC Membership is open to new Councilors, and indicated that she will send out the charter. Jacobson asked about the rules for remote participation; Halfpenny said she would put it on the meeting agenda for clarification.

### *Avoided Energy Supply Component Study*

Halfpenny noted that the Avoided Energy Supply Component Study kicked off in December. Schlegel explained that the economics (avoided costs and benefits) of EE programs need to be quantified, and that every two years the six New England states conduct a regional study. He noted that the scope of work and RFP will be finalized in February, with a contractor on-board by March 1<sup>st</sup>. He indicated that Jeremy Newberger does a great job managing this study, and that results would be needed by the end of 2013. Halfpenny noted that the Council will be getting updates on the study from the Consultants at each meeting.

### *DPU Hearings & Briefs*

Venezia noted that the proceedings consumed the entire month of December, with hearings continuing through the 1<sup>st</sup> week of January. He explained that issues were heard thematically, with the major themes being: Savings goals, program budgets, EM&V matters, TRM, performance incentives, cost-effectiveness, ERF charge, Green Justice Coalition concerns, low-income, pilots, bill impacts, funding sources, and avoided cost factors. Venezia noted that there were PA-specific hearings on aspects of individual plans. He summarized some of the issues brought by specific parties to the proceedings: CO2 concerns (Conservation Law Foundation); greater access for renters (Green Justice Coalition), low-income matters (LEAN); data reliability and streamlining of EE process (DOER); bill impacts, performance incentives, methodologies in obtaining info on NEIs (AG). He commented that the Council's resolutions of November 5<sup>th</sup> and 16<sup>th</sup>, and the ratification of the Term Sheets, were often quoted during the proceedings. Venezia noted that no one outright opposed the plan, and that a decision is anticipated from DPU by the end of January. Schlegel noted that DOER's brief was an excellent summary of the key issues, and is posted on the DPU website: [www.mass.gov/dpu](http://www.mass.gov/dpu)

### **Performance Metrics Presentation**

Halfpenny explained that the EC has not recommended yet on performance metrics, and that there would be a presentation on what has been proposed. Schlegel noted that final metrics were agreed to by the PAs and consultants in November, and that those metrics were filed with DPU on December 4<sup>th</sup>. Olsson explained the residential metrics (1. Increase HES close rate, 2. Early boiler replacement) and low income metrics (1. Strategic targeting, 2. Multifamily building inventory). Gibbons summarized the C&I metrics, all addressing depth of savings (1. C&I Large Retrofit, 2. C&I New Construction, 3. Small business direct install). He noted that all C&I metrics apply to both electric and gas PAs.

### **Data dashboards - Preliminary 2012 Results**

Abdou presented the data dashboard results for November and year-end 2012, noting that the year-end numbers are preliminary: Electric 78% of spend, 89% of savings; Gas 103% of spend, 89% of savings. She indicated that the savings may go higher when evaluation results are applied, and that the expenditure results were used to inform the budgets in the plan. Schlegel noted that the PAs will have updated 2012 numbers at the February EEAC meeting, and that we're seeing the same trend as what we were experiencing in the planning process: higher spending on gas; under-spending on electric. Halfpenny acknowledged the PAs efforts, while going through the 3-year planning and DPU process, and noted that for gas, with evaluation results reducing savings, this represents a good achievement. She further noted that application of EM&V results is under discussion at the DPU.

### **Consultant work plan & budget**

Halfpenny explained that Belliveau had sent out the detailed 2013 consultant work plan, and that the EC decided not to approve yet pending discussions with the consultant team on possible budget reductions. She noted that the Council needs to have money to pay the consultants until the 2013 budget is approved, and she proposed to prorate the amount needed for a 6-week budget, based on the 2012 budget. Halfpenny explained that part of

the challenge for the EC was reviewing the work plan during the period of the DPU hearings. McDiarmid noted the consultants do a really good job for the Council, and that the EC just needs some more time to discuss and prepare a recommendation for the February Council meeting. Seidman noted that \$1.5 million compared to a \$700 million budget is not a lot relative to what the Council is asking the consultants to do – all the things we want to get done in 2013. McDiarmid moved that the Council approve up to \$274k through February 15<sup>th</sup> to pay the consultants; Hall seconded. Voted and approved.

### **2013 Priorities**

Halfpenny discussed the development of the 2013 Council Priorities and asked Councilors to briefly review the 2012 priorities and to provide feedback if anything is missing or no longer relevant. She explained that the Council would work with the EC to come back with a proposal at the February Council meeting. Schlegel noted that the consultants updated some of the priorities, including some of the things in the EEAC resolution on the plan, for the EC's consideration. McDiarmid noted that the consultant list is a good start, and that focusing on improving data reporting will help to achieve success in 2013. Mattila suggested including more specific things to achieve in 2013, such as C&I sector targeting. McDonagh asked about tenant/landlord barriers, and Halfpenny explained that it is a huge challenge in the U.S. to get residential tenants and landlords to participate. Seidman noted the priority of referencing the Action Plans, and suggested going back to the July Council resolution and pulling out any relevant points. Halfpenny said that the Priorities should be succinct, so everyone knows where the Council's focus is. Winkler noted observing reductions in peak-to-energy ratios, and asked if the PAs can look at ways to get more peak savings, since demand has a significant impact on reliability. Schlegel noted that demand savings are in the plan. Belliveau added that deeper building treatments tend to result in greater peak savings. White noted that peak savings data is provided in the Data Dashboards and Annual Report. Halfpenny suggested that the Council discuss whether they want to include 'reducing peak demand' in the Priorities. She asked Councilors to send her comments, which would be forwarded to the consultants, to prepare a 2013 Priorities draft for consideration at the February meeting.

### **Adjourn**

Halfpenny adjourned the meeting at 2:58pm.