



MEETING MINUTES

Wednesday, August 16, 2017

100 Cambridge St, 2nd Floor

Conference Rooms B & C

Boston, MA 02114

Councilors Present: Eric Beaton (for Chrystal Kornegay), Don Boecke (for Maura Healey), Amy Boyd, Elizabeth Cellucci, Larry Chretien, Maggie Downey, Charles Harak, Paul Johnson, Richard Malmstrom, Deirdre Manning, Michael McDonagh, Jeremy Newberger, Jerrold Oppenheim (for Elliott Jacobson), Thomas Palma (for Cindy Carroll), Alex Pollard (for Judith Judson), Robert Rio, Victoria Rojo, Michael Sommer, Brad Swing (for Austin Blackmon), Trish Walker, Sharon Weber (for Martin Suuberg)

Councilors Absent: Michael Ferrante, Paul Gromer, Andrew Newman

Consultants Present: Eric Belliveau, Roo Harcourt, Craig Johnson, George Lawrence

DOER Staff Present: Rachel Evans, Ian Finlayson, Matt Rusteika, Arah Schuur

1. Call to Order

Pollard, as Chair, called the meeting to order at 1:06 PM.

2. Public Comment

Steve Cowell of E4TheFuture gave public comment to provide feedback on the small business programs. Cowell began by suggesting that goals for participation and savings rates for small businesses should be more aggressive in the next three-year plan. He also suggested that the PAs should work on a plan to implement customer segmentation within the commercial and industrial (C&I) programs. Lastly, Cowell indicated that he would appreciate any opportunity to work with the Council and the PAs to improve participation and savings rates within the small business sector.

Cynthia Arcate of PowerOptions gave public comment to the Council. She began by noting that PowerOptions has been working to improve access to energy efficiency for the last eight years. She noted that she felt that there should be more opportunities for organizations and associations to have partnerships with the PAs to help facilitate the programs. She added that their efforts to work with the PAs in the past have been rebuffed and that they desired a more formal process for involvement.

Peter Smith, on behalf of the Newton Needham Chamber of Commerce, gave public comment to the Council to share their experience working with vendors in the MassSave program. He began by noting that their Chamber promoted the program to help small businesses in the community and that they had connected with over 500 companies. He added that more than half of those companies had committed to energy efficiency upgrades. He concluded by suggesting that the PAs develop more marketing materials for the small business community and that they set higher participation goals in the next three-year plan.

3. Council Updates and Business

EEAC Meeting Minutes – July 19, 2017

Swing motioned to approve the minutes as submitted. Rio seconded. All were in favor, with Chretien abstaining. The minutes were approved, as submitted, by the Council.

EEAC Executive Committee Meeting Minutes – August 2, 2017

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

Planning Workshops

Rusteika informed the Council that DOER had executed a contract with Raab Associates to be the facilitator for the planning workshops. He added that Raab Associates would be holding a meeting on Thursday, August 31, 2017, from 9am to 11 am, for Councilors who wished to give input on what they think should be included in the workshops. Rusteika also previewed the schedule for the workshops.

4. Second Quarter Report and Semi-Annual CHP Update

Steve Menges, on behalf of the PAs, gave a second quarter performance update. In the presentation, Menges highlighted annual and three-year term progress to date for key metrics for both gas and electric. Menges also showed progress at the program level for the commercial and industrial (C&I) sector. Menges concluded the second quarter performance update with year-end forecasts for lifetime savings and spending for both electric and gas.

Ezra McCarthy, on behalf of the PAs, gave an update on the status of combined heat and power (CHP) projects. In his update, he highlighted projects that were completed in 2017 as well as projects that were in the pipeline to be completed by the end of the year.

Viglioti, on behalf of the PAs, gave an update on key Council priorities. The key priorities that Viglioti gave updates for included progress on 2016-2018 Plan commitments, 2019-2021 planning, equitable customer participation, data transparency, and demand side management.

5. EEAC Consultant Team Work Plan and Budget (Voting Item)

Belliveau gave an overview of the consultant team's (C-Team) draft 2017-2018 work plan and budget. In his overview, Belliveau highlighted the context, work areas, and percentage of overall budget for each of EM&V, planning and analysis, residential and low-income, C&I, and technical services. He concluded with a preview of the high-level budget proposal.

Newberger asked if there were any plans to add new members to the C-Team. Belliveau indicated that they were considering adding support for residential marketing, but that they had not reached a decision on that matter yet.

Malmstrom motioned to approve the C-Team work plan and budget for 2017-2018. Johnson seconded. All were in favor, with none opposed or abstaining. The C-Team's work plan and budget proposal for 2017-2019 was approved by the Council.

6. Small Business Program

Program Administrator Presentation – Offerings & Services

Ezra McCarthy, on behalf of the PAs, gave a presentation detailing their small business offerings and services. McCarthy began with an overview of the small business sector which included information on what the makeup of the sector is, where energy costs lie on their list of priorities, and offerings and services by program, core initiative, and pathway. He went on to review the PA's 2016-2018 plan commitments for small business. McCarthy concluded with a review of the turnkey delivery model for small businesses, which included a case study of how an actual business had recently participated.

Swing asked why customer directed options are not reported to the lead vendor for small businesses. McCarthy indicated that the PAs developed a customer direction option where the customer has a vendor they trust and do not wish to use one of the PA preferred vendors.

Johnson asked if the PAs had any information on the cost of customer acquisition. McCarthy and Palma indicated that customer acquisition is programmatic information and is not a component of any reports that the PAs currently produce. Johnson recommended that the PAs report the cost of customer acquisition in the future.

Chretien noted that the performance seemed good, but that he felt they could do better if they spent more on marketing. McCarthy noted that there are many small businesses that participate in the upstream programs and would therefore not be counted in the small business customer segment. He estimated that approximately 70% or more of the upstream programs are small businesses.

Consultant Team Presentation – Small Business Opportunities

Roo Harcourt, on behalf of the C-Team, gave a presentation on opportunities in the small business sector. Harcourt began with an overview of the sector that included information about what a small business is for the purposes of the program, costs and participation by customer size, recent performance, and the measure mix for small businesses. Harcourt also highlighted three primary takeaways. The first was that small businesses are hard to reach and are expensive to serve. The second was that there exist opportunities to increase small business participation through expanded PA and statewide marketing efforts, integrated statewide demonstrations, and the creation of a small business ambassador. The third was that there are opportunities to increase savings per customer by marketing bundled measures to specific business types.

Johnson indicated that he felt there were some good ideas suggested and that they should be explored going into the next Plan.

Commercial & Industrial Case Study

Nate Dick, on behalf of the PAs, presented an overview of a whole building pathway case study. He began with an overview of the project, its process and timeline, and the early engagement with the customer. He went on to discuss various aspects of the project, including the role of the multifamily vendor, the energy conservation modeling analysis, pre- and post-construction engagement with the customer, as well as a review of how incentives were calculated. He concluded his presentation by highlighting some of the changes and improvements to the program.

Boyd asked why National Grid does not use tiers while other PAs do. Dick indicated that the PAs have ongoing conversations regarding how to align the PAs' programs.

Belliveau asked what was used as a baseline for the project. Dick indicated that a code-compliant building was used as the baseline. Belliveau also asked who received the incentive. Dick indicated that the incentive for this project was delivered to the design team.

Johnson asked how this and similar efforts are marketed. Dick indicated that he did not have a concrete answer, but did note that partnerships with the city of Boston have been integral in the past. Swing suggested that the best way to market the program would be to work on integrating it with the design and development review process as much as possible.

Malmstrom noted that the case study was helpful and recommended that the PAs continue to do them where possible.

7. Adjournment

Pollard, as Chair, adjourned the meeting at 4:08 PM.