

October 5, 2015

Judith Judson, DOER Commissioner & EEAC Chair  
Massachusetts Department of Energy Resources  
100 Cambridge Street, Suite 1020  
Boston, MA 02114

Submitted electronically via [Arah.Schuur@state.ma.us](mailto:Arah.Schuur@state.ma.us)  
(To be distributed to EEAC members)

**Re: Savings Goals Proposed in DRAFT 2016-2018 Energy Efficiency Plan**

Dear Commissioner Judson and Members of the Massachusetts Energy Efficiency Advisory Council:

We are writing as members of the Global Warming Solutions Project (GWSP), a network of diverse stakeholders convened to monitor progress towards implementation of the Commonwealth's landmark Global Warming Solutions Act of 2008 (GWSA). Energy efficiency is one of the most important tools for achieving the GWSA's greenhouse gas emission reduction mandates for 2020, 2050, and each year in between. Given the enormous challenges and costs associated with any supply-side solution to our energy markets, efficiency remains the first and best option. Thus we respectfully ask the EEAC to hold the line at the number in the consultants' most recent analysis: 3.1% for electric savings and 1.5% gas savings (both depicted as a percent of sales).

Members of the GWSP have written in different capacities on several occasions throughout the development of the 2016-2018 Three Year Efficiency Plan. Each time we have emphasized support for the savings goals recommended by the EEAC consultants. The consultants' goals have always been higher than what the PAs have been willing to pursue. They have also always been closer to capturing all cost-effective efficiency and demand reduction resources as required by the Green Communities Act (GCA). On this occasion, we reiterate our endorsement of the consultants' recommendations as presented to the Council as part of the *Joint PA and Consultant Team Update* on August 18, 2015.<sup>1</sup>

We have reviewed the consultants' analysis and information presented by the program administrators and observed how the consultants revised their recommended savings goals from earlier in the year, basing their revisions on what we believe to be sound data analytics and the application of sensible assumptions. For this reason, we were surprised and disappointed to see the numbers proposed in the Draft plan released on September 23<sup>rd</sup>. The September 23<sup>rd</sup> draft falls short of the GCA mandate to capture all available cost effective EE and demand reduction resources. Combined with the September 23<sup>rd</sup> draft Term Sheet's proposed 25% increase in the Performance Incentive, from \$80 million to \$100 million, the message being sent is that rate-payers should fund a very significant raise for less service and lower goals than statute requires.

Too much emphasis has been placed on the fact that the goals remain highest in nation and thus are enough to maintain MA's #1 ACEEE ranking, neither of which are codified by law. The Commonwealth is clearly behind in meeting its GWSA goals for 2020 and 2050. Nothing else in the Clean Energy & Climate Plan has better economics than energy efficiency, especially efficiency in the C&I sector which

Appalachian Mountain Club  
Clean Water Action  
Conservation Law Foundation  
E2 (Environmental Entrepreneurs)  
Environmental League of Massachusetts  
Hamel Environmental Consulting  
Health Care Without Harm  
Massachusetts Climate Action Network  
Massachusetts PipeLine Awareness Network  
Mothers Out Front  
Nashoba Conservation Trust

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<sup>1</sup> <http://ma-eeac.org/wordpress/wp-content/uploads/KeyDriversUpdate-8-18-20151.pdf>.

costs a mere \$0.03/kWh! Saving less through this 3YP means falling further behind on the GWSA and/or forcing the adoption of higher cost GHG mitigation measures.

Toward that end, we members of the GWSP support the following recommendations and urge the Council to take action on both:

**Adopt stronger targets:** GWSP strongly encourages the EEAC to adopt the goals put forth by the consultants. We note, that although higher than what has been proposed in the PA's draft plans, the recommendation made by the consultants on August 18 do not represent capturing all cost-effective energy savings. Even so, the consultants' recommendations are higher than what has been proposed in the September 23<sup>rd</sup> draft released by the PAs.

**Split Performance Incentives:** We also support the suggestion made by Councilor Chretien at the September 30<sup>th</sup> meeting, which appeared to be supported by several of the counselors, to split the Performance Incentive and award it in proportion to each sector's contribution to the total savings goals detailed in the plan. For example, the plan states that the C&I sector accounts for 55% of annual electricity savings. By splitting the Performance Incentives, 55% would be tied to performance in C&I and 45% would be tied to performance in the Residential Sector.

We support efforts to capture all energy savings that are cost-effective because this will yield the most net benefits to the Commonwealth, including GHG emission reductions. We believe this can be achieved by adopting higher goals and by splitting the performance incentives as suggested at the most recent EEAC meeting.

GWSP is also proud of Massachusetts' top rating as having the best energy efficiency program in the nation. However, we note that maximizing efficiency through our programs in accordance with the Green Communities Act and in an effort to meet the GHG reductions mandated by the GWSA and based on sound climate science, is the true aim of the 2016-2018 Plan.

Sincerely,

Josh Craft, Program Director – Environmental League of Massachusetts  
Veronica Eady, Vice President & Massachusetts Director – Conservation Law Foundation  
Heather Clish, Director of Conservation & Recreation Policy – Appalachian Mountain Club  
Joel Wool, Advocate: Energy & Environment – Clean Water Action  
Berl Hartman, New England Director – E2 (Environmental Entrepreneurs)  
Sonia Hamel – Principal, Hamel Environmental Consulting  
Paul Lipke, Senior Advisor, Energy & Buildings – Health Care Without Harm  
Carol Oldham, Executive Director – Massachusetts Climate Action Network (MCAN)  
Kathryn Eiseman, Director – Massachusetts PipeLine Awareness Network  
Vanessa Rule, Co-Founder & Organizing Director – Mothers Out Front  
Ken Hartlage, President – Nashoba Conservation Trust