

# Memo

To: **EEAC**  
From: **Eric Belliveau and the EEAC Consultant Team**  
Date: **5 February 2015**  
Subject: **January Monthly Report**

The Consultant Team is pleased to provide this update to the Council on our recent activities.

## SUMMARY OF MAIN TASKS COVERED IN EACH SECTION OF THE REPORT

### EM&V

- Working with the PAs to develop an overall EM&V plan for 2016-2018.
- Nearing completion of the planning phase for 15-20 new studies added in recent months
- Advancing roughly 30 studies currently in the implementation stage
- Providing EM&V input on two residential briefing papers as well as the series of program and policy workshops being led by DOER
- Reviewing proposals from EM&V contractors to select a new C&I EM&V contractor team

### PLANNING & ANALYSIS

- Preparing for, attending, and providing technical support during the EEAC meeting on January 13, and the Executive Committee meetings on January 7 and 30.
- Assisting with the development of the schedule, process, and key information needs for the 2016-2018 Plan
- Assisting with the program strategy/stakeholder engagement workshops
- Performing significant technical work with the multi-state study group on study tasks each week for the 2015 regional avoided costs (AESC) study
- Preparing the assessment of potential analysis, used to help inform the goals for the 2016-2018 Plan
- Supporting the Council in the early preparations for DPU 14-141, related to the implementation of the DPU Order on the Energy Efficiency Database

### RESIDENTIAL AND LOW INCOME SECTORS

- Completing a report with recommendations for multi-family retrofit
- Preparing for the Council's residential workshops for the 2016-2018 Plan
- Completing a report on residential products opportunities
- Reviewing PA activities related to clothes dryers, heat pumps, and lighting
- Supporting EM&V efforts related to lighting and multi-family retrofit

### COMMERCIAL AND INDUSTRIAL

- Preparing for the Council's C&I workshops for the 2016-2018 Plan
- Continuing work with the PAs on commissioning and researching behavioral and Strategic Energy Management/Continuous Energy Improvement programs.
- Reviewing drafts of the 2013 Customer Select Preliminary Charts and Tables memo, The PA Differences report, and the Mid-Size Customer Needs Assessment report

### TECHNICAL SERVICES

- Producing draft minutes for the January 13, 2015 EEAC meeting.

- Managing the updated website on a day-to-day basis.

## EVALUATION, MEASUREMENT & VERIFICATION

In January, the EM&V Advisory Group continued its full range of ongoing activities related to EM&V planning, implementation, reporting, policy, and outreach issues.

### Oversee EM&V Planning

The Group began working with the PAs to develop an overall EM&V plan for 2016-2018. Development of the plan is scheduled to commence with three days of all-hands meetings in Boston in early February. Attendees will include PA evaluators, the EEAC consultants, and all EM&V contractor teams. The February meetings are expected to lead into a first draft of a 2016-2018 EM&V plan, which will be included with the first draft of the overall Three-Year Plans due in April. Stakeholders will be invited to comment on this first draft of the EM&V plan, after which a stakeholder input meeting is planned for the summer. A second draft of the plan will be included with the second draft of the overall Three-Year Plans.

The Group also neared completion of the planning phase for approximately 15-20 new studies added in recent months. A majority of these new studies have reached the implementation stage at roughly the same time that many studies included in the 2014-2014 EM&V plan are concluding, leaving the overall EM&V study portfolio in a roughly steady state.

Finally, a secondary objective of the February EM&V planning meetings noted above will be to develop specific additional studies to be completed in 2015.

### Oversee EM&V Study Implementation

The Group advanced toward completion roughly 30 studies currently in the implementation stage. A few examples include the following studies: HES Program Delivery, HEAT Loan, C&I On-Sites, and C&I Market Share. Many studies that were included in the 2013-2014 EM&V plan have either been completed or are expected to wrap up within the next several months.

### Oversee EM&V Reporting

The Group remained in a heavy reporting period in January, with some 15-20 final reports in various stages of completion. Final reports currently in progress include the following: C&I PA Differences Study; C&I Successful Projects Study; SBDI Process Evaluation; Commercial Real Estate Study; Non-Residential New Construction NEBs study; Top-Down NTG study; LED Prospective Market Effects study; Multifamily Process Evaluation; HEHE Gross Savings Impact Evaluation; Residential Lighting Point-of-Sale Modeling NTG study; and Residential Lighting Upstream Supplier Interview study.

### EM&V Policy Issues

The Group provided EM&V input on two residential program and policy briefing papers, which were developed by the EEAC consultant Residential team. The Group also provided input on the series of program and policy workshops being led by DOER. Through the EMC Baseline Subcommittee, the Group continued working with the PAs on challenging issues surrounding the development and refinement of measure baseline assumptions. Lastly, the Group began working with the PAs on what is expected to be a lengthy process of developing savings parameter assumptions to be included in the Three-Year Plans.

### Miscellaneous Activities

The Group reviewed proposals from EM&V contractors in response to an RFP that was released in December to select a new C&I EM&V contractor team. A winning team or teams will be selected in February.

## PLANNING AND ANALYSIS

In January 2015, the Planning and Analysis Advisory Group focused on the primary tasks described below to

support the effective implementation of the key components of the 2013-2015 Three-Year Plan, and to begin development of the next Three-Year Plan for 2016-2018. The Group worked on the new regional avoided cost study (AESC), assisted with the development of briefing materials for the program strategy/stakeholder engagement workshops, continued work on the early stages of development of the next Three-Year Plan (2016-2018), and continued work on the Assessment of Potential to inform savings goals.

### **Participate in EEAC Meetings; Brief and Support the Council**

The Group prepared for, attended, and provided technical support during the EEAC meeting on January 13 and the Executive Committee meetings on January 7 and 30. The Group coordinated with DOER as chair of the Council on a weekly basis, and briefed individual Councilors in advance of the EEAC meeting and during the month (the substantive issues and outcomes are summarized in the task descriptions below). EEAC Meeting and Council support is on-going and is a regular monthly task area.

### **Support the Council on Regulatory Issues and DPU Proceedings**

The Consultant Team is supporting the Council in the early preparations for DPU 14-141, related to the implementation of the DPU Order on the Energy Efficiency Database

### **Provide Technical Analysis**

In January, the Group continued work on the 2015 regional avoided cost study (also known as the AESC study). The study will now be completed every three years (aligned with the Three-Year Plan schedule) with potential annual updates when necessary. The study is being performed by a new contractor – Tabors, Caramanis, Rudkevich (TCR) – with new market models and new approaches to the data and analysis. Significant technical work was performed in January. The Group coordinated with the multi-state study group on study tasks each week, and participated in four multi-hours study group calls. The Group reviewed the proposed inputs, assumptions, and methods for the natural gas, oil, and electric market forecasts, reviewed more than a dozen technical analyses and draft documents, and provided questions and comments during weekly study group meetings and briefings. The 2015 AESC study will determine the avoided costs (the \$ values and factors used to determine the benefits) of the electric, gas, and oil savings for all of the 2016-2018 programs, and therefore is a major technical priority. The study is scheduled to be completed by March 31, 2015, in time for the avoided cost values to be used in the 2016-2018 Three-Year Plan being developed during 2015.

### **Prepare for the 2016-2018 Plan**

The P&A Advisory Group worked on the development of the schedule, process, and key information needs for the 2016-2018 Plan, with special focus on the development and review of issues to be addressed in advance of the April 30 Draft Plan. These topics included the overall schedule for Plan development (a draft of which was presented to the EEAC on December 9 and was reviewed with the Planning and Analysis Group). Other topics included the cross-cutting issues such as program penetration, participation, organization of programs and initiatives; the framework for savings goals; the level of savings goals; components of the term sheets; and other plan components. We also worked on preparing the assessment of potential analysis to set the stage for the Council goal-setting and term sheet process. The assessment of potential is due in March 2015.

The Group assisted with the program strategy/stakeholder engagement workshops, including contributing to the development of briefing materials.

The Consultant Team also identified and worked on several potential planning topics for the upcoming 2016-2018 Plan, which were discussed in the PAG meeting and coordinated with EM&V discussions during the month. These included the technical topics of market effects, appropriate baselines, net savings, codes and standards, and bill impacts. We expect to continue work with the PAs and have discussions with the PAs and the EEAC on these planning topics in future months.

## **RESIDENTIAL AND LOW INCOME SECTORS**

In January, the Residential Advisory Group worked on the tasks described below to support the PAs in their work to meet the 2013-2015 Three-Year Plan Residential and Low Income goals and plan for 2016-18. Much of the

Group's work was devoted to preparing for Council workshops for the 2016-18 Plan. In addition, the Group finalized two reports to the Council on residential products and multi-family retrofit. Additional details on these and other January activities are noted below.

## **Residential Whole House and Low Income Programs**

The Residential Advisory Group finalized its report to the Council in support of recommending a fully integrated and distinct multi-family effort. The *Multi-Family Retrofit: Recommendations for Achieving a Fully Integrated Energy Efficiency Program Effort in Massachusetts* report is now available on the Council's website. The report is intended to support planning discussions for 2016-18, and Council members planning to participate in the February 26 workshop may find it helpful to review the report beforehand. It also includes recommendations for implementation in 2015. The Group also reviewed and provided comments on the second draft of the Multi-family Program Process Evaluation.

General information on the gas and electric Whole House Programs and related initiatives will be addressed in the Council workshop scheduled for February 9 (rescheduled from January 29). The Group's preparations for the workshop have included participating in planning meetings with Jonathan Raab, DOER staff and PA representatives, and developing an overview and context brief and presentation. February work will be more focused on this area since the February 26 Council workshops will include a more in-depth focus on the Whole House Program, Multi-Family Retrofit Initiative, and Low Income Sector.

The Group also reviewed the draft Residential Conservation Services regulations published by DOER, which will impact the PAs' programs. It plans to discuss the proposed regulations with the Residential Management Committee in February.

## **Residential Products Program**

The Residential Advisory Group revised its [\*Residential Products: Savings Opportunities and Innovative Strategies for 2015 and the 2016-2018 Plan\*](#) report and published it on the Council website on January 20. As with the multi-family report, this resource is intended to support 2016-2018 planning efforts while identifying opportunities for 2015 as well. The Group also prepared a residential products briefing document for the February 9 Council workshop and conducted analysis to prepare for the discussion during the workshop.

To support assessment of 2013-2015 achievements and planning for 2016-2018, the Group also reviewed PA activities related to clothes dryers, heat pumps, and lighting. In addition, it provided support to the EM&V Advisory Group by reviewing updated versions of the lighting Market Adoption Model that is used to calculate savings from lighting measures and participating in calls to discuss proposed model revisions.

## **Innovative Strategies**

The Group identified several innovative strategies related to wireless enabled thermostats and home energy management systems in the Residential Products paper noted above. These include opportunities to link to behavior, demand response, and smart grid. The residential products Council workshop brief for February 9 includes a discussion question related to these opportunities.

## **COMMERCIAL AND INDUSTRIAL**

In January, the C&I Advisory Group focused on preparing for Council workshops for the 2016-18 Plan. The Group also continued research on deeper savings through commissioning, behavioral and Strategic Energy Management/Continuous Energy Improvement programs and reviewed draft reports that will help develop strategies to target mid-sized customers and improve the upstream programs.

## **Prepare for the 2016-2018 Plan**

January began the cycle of planning for the next Three-Year Plan. On December 9, a breakout session during the Council meeting identified a number of C&I topics of interest to the Councilors. These topics were prioritized by means of votes, and the topics were sorted as being of a technical, implementation, or policy nature. In order to explore those topics further, a series of three workshops were planned. These workshops are intended to allow

the Councilors time to explore the topics further and make suggestions for strategies for 2016-2018.

The first C&I workshop, addressing technical topics, was planned for January but was delayed to February 6 due to a large snowstorm. The C&I Consultant Team prepared briefs to help provide context and orient the Councilors on the following technical topics: Combined Heat and Power, Retro-commissioning, Sub-metering and Data Analytics, and Building Controls.

Planning for the second workshop, to address the implementation topics, also occurred in January. The implementation briefs prepared by the Consultants include one on Behavior and one on the Hockey Stick effect of claiming a large percentage of savings late in the calendar year. The PAs are preparing a brief on Commercial Real Estate and Small business program best practice.

### **Deeper Savings in All Programs**

As written in the 2015 work plan, the Consultants intend to help the PAs increase savings in all programs through several work areas. One work area includes taking a look at increasing saving by means of increasing energy productivity. Energy productivity in this context refers to increasing output for a minimum energy input. To increase energy productivity, it is necessary to understand how energy is being used. There are a number of hardware, human behavior, and program elements that all contribute to the ability to improve energy productivity. The Consultants continued working with the PAs in January with respect to commissioning, which is one way to improve energy productivity. The Consultants also began research on behavioral and Strategic Energy Management/Continuous Energy Improvement programs to inform the forthcoming memo on this topic.

### **Comprehensive Segment Strategies**

In January, the C&I Advisory Group spent some time reviewing drafts of the 2013 Customer Select Preliminary Charts and Tables memo, The PA Differences report, and the Mid-Size Customer Needs Assessment report. Collectively, these documents provide some good insight into the current PA processes and current operations. These insights will be used to help develop strategies to target mid-sized customers and improve the upstream programs.

In addition, the Consultants began research to develop a complete picture of what trainings are currently available in Massachusetts, who is sponsoring them, how frequently they are offered, and where in the state they take place. The goal of this effort is to identify potential gaps in the Massachusetts energy curriculum and make recommendations.

### **Coordination and Partnerships**

The Consultants coordinated and communicated with the CIMC and attended the CIMC meetings on January 6 and 21.

## **TECHNICAL SERVICES**

### **Produce Minutes from all EEAC Meetings**

The Consultant Team is charged with producing draft and final meeting minutes for each EEAC monthly meeting. The Team produced draft minutes for the January 13, 2015 EEAC meeting and forwarded them to the EEAC Chair. The EEAC Chair will review the minutes and have them posted on the EEAC website prior to the next EEAC meeting to be held on February 10, 2015. The EEAC approved the December 2014 meeting minutes at their January 2015 meeting. These minutes along with all documents and presentations distributed at the January 2015 EEAC meeting have been posted on the EEAC website at <http://ma-eeac.org/materials-for-january-13-2015-eeac-meeting/>.

### **EEAC Website Upgrades, Revisions & Maintenance**

Optimal staff continue to manage the updated website on a day-to-day basis. In January, this included posting materials from the 1/13/15 EEAC meeting; updating the EEAC member's page; creating pages for the various January and February 2016-18 Three-Year Plan Workshops; and creating a new sidebar to post MA EEAC

Consultant Team reports. In addition the remaining synopsis and conclusions summaries were posted for the recent released EM&V reports.

For the month of January 2015 there were:

- 1,818 sessions
- 822 unique users
- 6,771 page views with an average of 3.67 page view per session
- 65% new visitors; 35% returning visitors

### **Produce the Annual Report to the DPU and Legislature**

Work on the Year 2014 Annual Report will begin later this year.