

Massachusetts Energy Efficiency Advisory Council
Meeting Minutes (DRAFT)
Tuesday, May 11, 2010

Councilors Present:

Voting	Present (designee)	Non-Voting	Present (designee)
Heather Clark	X	Derek Buchler	X
Martha Coakley	Danielle Rathbun	James Carey	X
Penn Loh	X	Penni Conner	X
Lucy Edmondson	Nancy Seidman	Alisha Frazee	
Philip Guidice	Frank Gorke	Kevin Galligan	X
Debra Hall	X	George Gantz	X
Charles Harak	X	John Ghiloni	
Elliot Jacobson	X	Paul Gromer	X
Jeremy McDiarmid	X	Andrew Newman	
Rick Mattila	X	Richard Oswald	X
Robert Rio	X	Michael Sommer	X
		Edward White	Carol White

DOER: Mike Sherman, Steven Venezia

Consultants: Paul Horowitz, Jeff Schlegel (on phone), John Livermore

Present: Sign-in sheet not available

I. Introduction

Gorke convened the meeting at 2:03pm and mentioned that Nancy Seiman would be standing in for Lucy Edmondson. He noted the packed agenda and suggested that the public comments section be moved to directly after the Residential retrofit program presentation.

II. DPU Proceedings, Appliance Program, Other Updates

Gorke discussed the recent Great Appliance Exchange (GAX) and noted that it was highly visible and moved 40,000 efficient appliances. He indicated that DOER is investigating what happened with vendors during GAX, and that they will have a report ready soon. He thanked CLC for helping to administer GAX, and mentioned that DOER will be working with the PAs on GAX2. McDiarmid noted that the GAX attention is a great gateway to let folks know about the Mass Save programs. Gorke mentioned that the national Home Star bill had passed the House, and that the program raised a lot of questions about integration with existing Massachusetts efficiency programs. He noted the ongoing activity at DPU regarding EERF and gas program funding levels. Lyne added that there is continued regulatory scrutiny by DPU on program budgets, and that the PAs are paying a lot of attention to and time on this.

III. PA Quarterly Reports, First Quarter 2010, Data Reporting

Shea and Gundal presented electric data, and Newberger presented gas data. Shea reviewed electric residential 1st quarter results and noted that some programs were ahead of goal (New Construction, Lighting) while some programs were behind (Multifamily, Appliances), but that overall, residential programs were on target to meet 2010 participation and savings goals. White reminded the Council that programs have only been running for about 3 months, since DPU just approved plans at end of January. Galligan mentioned that the 1st quarter results are preliminary and that there is a data reporting lag. Loh asked for more information on O-Power at an upcoming meeting.

Gundal reviewed electric C&I results and noted that the direct install program was on target to meet goals, but that new construction and retrofit are a bit behind due in part to the economy. He noted that C&I was on par with 2009 and that their graphs frequently have a “hockey stick” curve, with the bulk of activity in the 4th quarter. Several councilors asked the PAs to show this curve at a future meeting.

Newberger reviewed gas results and noted that good progress was being made, particularly on gas weatherization, and that some programs were still ramping up. He explained that progress was not uniform across all programs and PAs and noted the strong seasonable component to gas program participation. He stated that any disconnects between savings and spending should be substantially resolved by Q2. Newberger referenced the “hockey stick” curve for C&I programs and mentioned that metrics will be included in the Q2 report. Seidman asked if emissions figures would be included, and Newberger indicated they would be in the Q2 report. Rathbun asked if other PAs are exceeding gas weatherization budgets and would soon be bringing funding to the Council. Unutil, Bay State Gas and Berkshire Gas all responded in the affirmative.

Schlegel presented the Consultants’ comments to the PA Q1 reports. He noted that this was a good first effort, but that there was some incomplete data, so caution should be used in interpreting the results. Schlegel pointed out that progress varied across PAs and programs, and that it was difficult to draw conclusions because of the year-end “hockey stick” effect and no data on projects in the queue. He noted very strong participation in some programs and some disconnects between savings and costs. Schlegel pointed out mixed results with regard to obtaining deeper savings, with some programs going deeper and others extending more broadly. He suggested for future reports the inclusion of other benefits (e.g. oil, water), which the PAs have agreed to provide, and data on project commitments.

IV. NGRID Request for Additional Funding in 2010

White outlined the DPU requirements for PAs to notify them about a budget variance of 20% or more, and explained that NGRID is in this position on both residential gas and electric 1-4 programs due to 1) transition in program implementation, 2) the huge amount of work that came in in 1st quarter (related to March 1st transition), and 3) statewide marketing efforts stimulating demand for program services. She noted that the residential

gas program is projected to run out of money in June and, to avoid discontinuation of the program, which would be contrary to the GCA, NGRID was requesting approximately \$3 million in additional funding for both gas and electric. White noted the extremely small bill impacts and asked for Council support on the Company's proposal to make a request to DPU for the additional funding.

Gorke commented that this was a significant request, and a discussion then took place among the Councilors. The discussion touched on the question of whether underestimating goals would be a pattern, the possibility and risks of reducing incentive levels, and the potential impacts of the Home Star program on the Company's programs. Gorke indicated that DOER would support the resolution if all the numbers work and pending reworking the resolution text. Gromer, Jacobson, Clark and Loh all voiced support for approval of NGRID's request. Gorke reminded everyone that the Council needs to see resolutions by the Thursday before the EEAC meeting, and asked for a motion to waive the 24-hour notification rule. Harak motioned, Clark seconded. Vote passed with unanimous consent.

After a 5 minute break, Gorke asked for a motion to consider the resolution as proposed by NGRID. Clark motioned, Matilla seconded. Gorke then asked for a motion to consider a proposed DOER amendment. McDiarmid motioned, Jacobson seconded. Discussion of the proposed amendment ensued. A number of Councilors suggested changes to the text. Following further discussion and procedural votes, a vote on resolution with approved amendments was taken. The resolution was adopted with Rio abstaining and all others voting for approval. White thanked the Councilors for addressing this on such short notice.

Gorke articulated the need to shorten up the agenda due to time constraints.

V. Residential Retrofit Program/Mass Save Home Energy Update

A slide presentation was given by Halfpenny and Livermore on the state of the Mass SAVE and Gas Weatherization programs. Halfpenny addressed the progress made on addressing contractor concerns regarding the changes to the gas weatherization program. Livermore spoke about the need for statewide program consistency, for expanding the program delivery options, and for quickly addressing the remaining outstanding program design issues through an Ad Hoc group. Gorke commented that a Do-Learn-Adapt approach would be used and noted that the 'possible participation options' chart showed how complicated the program design challenges really were. Gromer noted that he had held numerous conversations with contractors who, despite differences, share a universal interest in achieving savings and serving customers. He also emphasized the importance of having both short term and longer term participation paths. Harak and Clark both suggested formalizing a way for contractors to provide input into the process.

VI. Public comment:

14 people shared their thoughts with the Council. The messages ranged from clarifying the role of CSG in delivery EE programs to praise for the current vendor subcontractor structure to satisfaction with the energy assessment provider RFQ/RFP to concern from independent contractors that their traditional pool of market-based leads has dried up. Gorke indicated that DOER has been meeting with contractors to better understand and address their issues.

VII. Financing and On-Bill Repayment

Gorke thanked Mike Sherman for his work on developing the report from the On-Bill Repayment Working Group. Sherman indicated that the report included 11 principles, with 3 matrices for residential homeowners, residential renters, and C&I customers. Sherman acknowledged that the report is the result of a lot of people's hard work, and noted that a small taskforce will be assembled to work through the remaining issues on residential renters.

VIII. Gorke thanked everyone for their time and adjourned the meeting at 5:16 pm.