

Massachusetts Energy Efficiency Advisory Council
 Meeting Minutes (DRAFT)
 Tuesday, June 9, 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	X	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:

Fran Cummings	Lisa Shea	Shannon Llewellyn
Marc Goormastic	Marie Harb	Don Wells
Andy Belt	Theresa Lavoie	Courtney Moriarta
Katjana Ballantyne	Aimee Powelka	Heather Sullivan
John Puc	Alex Papali	Tilak Subrahmanian

I. Introduction

Sherman convened the meeting at 2:08pm. He announced that he was leaving DOER and going to Navigant. The Council thanked Sherman for all his hard work over the past two years.

II. Financing and On Bill Repayment (FOBR) WG update

Sherman gave an update on the activities of the FOBR group. He reported that the group had made good progress on developing the matrices for the different market segments, and that the rental property market was the most difficult one. Sherman indicated that a smaller working group had been convened to focus on creating a model for rental properties (e.g. triple-deckers), using Tom Darling's investment and repayment model as a starting point. He noted that, once developed, the financial aspects of the model would be vetted with landlords to ensure it would work. Sherman also said that the group would look to develop some case studies and will give a report to the Council at the July meeting.

III. Update on federal furnace standard

Sherman indicated that MA had updated furnace standards in 2005 and that there has been a waiver in place since then. He explained that the MA market is mostly at 90% for owner-occupied and the low-income program, but not the rental market, and suggested that the Federal standard update was a worthwhile effort. McDiarmid noted that DOE has shown that it is cost-effective to bring the federal floor up to 90%. Venezia mentioned that the AG and NEEP have been supportive of these higher standards, while AGA is opposed to them. Harak thanked NSTAR and Bay State Gas for their letters of support and suggested that the Council draft a resolution at the break. After the break Harak moved to suspend the rules to consider the resolution that had just been drafted; Clark seconded. Approved by unanimous consent. Harak motioned to consider the resolution; Loh seconded. Approved by unanimous consent. Harak moved to consider resolution as amended; Edmonson seconded. Approved by unanimous consent.

IV. Update on NSTAR MIT project

Subrahmanian introduced an important project that NSTAR has signed as a result of the paradigm shift of the GCA goals, and a long negotiation process to close the deal. Gundal expressed excitement about getting commitment from such a large customer as MIT, and noted that NSTAR had been working on the concept for a couple of years. He explained that the 34 million kWh over 3 years represents a 15% reduction, and that NSTAR's previous largest customer had been 9 million kWh. Gundal noted that the MIT project is a joint NSTAR gas and electric effort which is designed to get low hanging fruit first and then to go after deeper measures in the 2nd and 3rd years. He explained that the commitment represented a portfolio of projects with a simple all-inclusive incentive mechanism, where the savings are reinvested back into the program. Gundal further indicated that a next step would be to explore performance-based behavioral opportunities where the onus is on the customer to ensure that savings happen.

Several Councilors asked questions on joint-PA efforts, types of measures pursued, and approaching other large organizations where bureaucracy and finances will be more difficult. Gundal responded that NSTAR is currently working on another project with NGRID. He said that the low hanging fruit at MIT is lighting but that they were also looking at doing a 'deep dive' on buildings with the highest energy use. He also noted that they may need to develop more 'flavors' of this approach for different types of customers, like state agencies and school systems. Sherman thanked Subrahmanian, Gundal, and Connor for their good work on this.

Gorke joined the meeting and noted that MA would not be where it is on energy efficiency without the efforts of Mike Sherman. He noted that we're building off of the strong programs and relationship that have been developed, and that Mike has been at the core of this.

V. Upcoming public hearings on EOEEA/DEP GWSA targets and consultant report

Edmondson noted that the Global Warming Solutions Act (GWSA) sets the target of 10-25% emissions reduction below 1990 levels by 2020, and 80% reduction by 2050. She explained that the DEP Commissioner has announced that 18-25% will be the target, and that a series of 8 public hearings will be scheduled to take public comment. She also noted that two reports, posted on the DEP website, have been prepared for the State showing the potential for an 18.6% reduction by 2020. Harak mentioned that well over half of the emission reductions are from energy efficiency.

VI. Landlord Strategies re Res. Retrofit

Livermore gave a presentation to the Council on reaching landlords and tenants to achieve deeper energy savings. He explained that slides were based on a 'working draft' paper developed with the Residential Management Committee (RMC). Livermore characterized rental properties as a traditionally hard to reach market with abundant potential for energy savings. He noted that the two market actors, tenants and landlords, need to both be marketed to, but that it is important to engage landlords in order to achieve deep whole-house energy savings. Livermore explained that several working groups are addressing the landlord/tenant challenge, and he discussed four major barriers to landlord participation: awareness, hassle factor, concern about code violations, and finances. Also noted were the action items that PAs are pursuing to better reach this market segment, including developing a landlord marketing brochure and establishing a dedicated landlord page on the masssave website. Many Councilors commented that they have an interest in this issue. Hall noted that many of these issues are also relevant to the multifamily program.

VII. PA 2010 Mid-Course Modification

Gorke explained that other PAs, besides NGRID, have decided not to propose mid-course budget corrections for this meeting. Lyne commented that it was foreseeable that other PAs will make such a request but they do not have requests yet for the Council. He noted that DPU had convened the 08-50 working group to look at how to have a process for PA funding increase requests. Lyne explained that the GCA characterizes a "significant modification" as a 20% change in budget or goal, and noted that this may create problems for the PAs. He suggested teeing up the concept of putting the 20% bandwidth at the sector level, and noted the complication of the GCA requirement for mandatory contributions to the low-income budget. Horowitz noted that the AG would like PAs to report program-level changes to the Council, and Gorke said that the proposal needs more detail before formally presenting to the Council. Oswald mentioned another concept of moving budgets around between the three program years. White explained that NGRID was planning to submit their gas modification request (gas weatherization and new construction), and an additional \$2.1 million, with the DPU the Friday following the Council meeting. She noted that the expected bill impacts were very small, and that they were also filing a motion with DPU requesting authorization to continue the programs (not have to shut them down) while the DPU was considering the request.

VIII. Mass Save Home Energy Services design update

Gorke said this was a subject of great interest to a lot of people, and he reminded Councilors that at the last meeting he had asked Gromer to convene a meeting with contractors. Gromer explained that the group, consisting of contractors, PAs, consultants, Peregrine, and Gorke, had met twice to address contractor issues. He explained that the group had made progress toward agreeing on enhancements about how customers would be informed about their choice of contractor at each stage of the Mass Save Home Energy Services process (e.g. Website language, advertisement language, call center language). He noted that draft language was still circulating, and that this represented a reasonable achievement given the task before us.

Gorke stressed the need to focus on getting the program right for 2011, and he asked the PAs to dedicate the resources needed for this over the next 2 months. Clark also expressed the hope to improve the Mass Save program and to include more contractor opportunities, more QC, and more focus on closing the deal to get deep energy savings. Hall asked that each PA post on the EEAC website the report they leave with the customer. Gorke noted the need to name the problems and identify the solutions in order to inform the scope of work for the program vendor RFP(s). Lyne said the PAs wanted to build on the 'steering committee' model, scoping out the core issues and working out a reasonable timeline to address issues. Oswald noted that the WMECO program was doing great, with a 60% measure acceptance rate. Gorke stressed that there were still some program design issues that needed addressing and suggested a possible resolution at the next meeting to provide clarity to the PAs.

Galligan and Gantz both expressed concern about the pace of program changes when the programs were just approved in January, and they are seeing successes. Gorke expressed sensitivity to PAs' concerns and reminded Councilors that program designs were worked on last year, then put on the shelf to work on program goals. He explained that it was not unreasonable to come back now and look at program design modifications, and emphasized that this was based on further improving a successful program. Gorke suggested instituting a monthly 'good news' report. Several Councilors agreed that the programs are seeing success but still have opportunities for improvement – the push-pull is healthy.

Gorke concluded the discussion by reminding the Council to bear in mind that we were aware that the 3-year plans had only been approved on January 31st, but the GCA passed two years ago in July 2008.

IX. Calendar and Council priorities for 2010

Gorke noted that Councilors have the calendar and priorities pieces in their package, and reminded everyone that there's a lot more stuff coming down the pike. Horowitz mentioned that for the July meeting the mid-course modification row (July-Sept) will be refined.

X. Consultant monthly team report and expenditure report

Gorke noted that the consultant team and expenditure reports are also in their package and asked if there were any questions.

XI. Public Comments

Lisa Clawson, speaking on behalf of Green Communities, noted that there were opportunities to market to and bring landlords and tenants together. She echoed Loh's desire to connect the dots, and expressed the Equity committee's desire for greater community mobilization.

Paul Johnson thanked Gromer for leading the two meetings. He expressed satisfaction on working with the PAs on language to clarify customer choice about independent contractors, and he asked when contractors were going to get involved in 2011 program planning. He asked that PAs/Council work harder to protect independent contractor concerns.

XII. Gorke thanked everyone for their time and adjourned the meeting at 5:10pm.