

Massachusetts Energy Efficiency Advisory Council
 Working Session Minutes (DRAFT)
 Tuesday, July 28, 2009

Councilors Present:

| Voting | Present (designee) | Non-Voting | Present (designee) |
|-----------------|---------------------------|-------------------|---------------------------|
| Heather Clark | X | Derek Buchler | X |
| Martha Coakley | Jed Nosal | James Carey | X |
| Paul Deare | Resigned | Penni Conner | X |
| Lucy Edmondson | X | Alisha Frazee | |
| Philip Giudice | Frank Gorke | Kevin Galligan | X |
| Debra Hall | X | George Gantz | X |
| Charles Harak | X | John Ghiloni | |
| Elliot Jacobson | X | Paul Gromer | Fran Cummings |
| Samuel Krasnow | X | Andrew Newman | |
| Rick Mattila | X | Richard Oswald | X |
| Robert Rio | X | Michael Sommer | Emmett Lyne |
| | | Timothy Stout | X |

DOER: Michael Sherman, Steven Venezia, Susan Kaplan

Consultants: Paul Horowitz, Jeff Schlegel, John Livermore, Tom Franks, Doug Baston

Present:

| | | | |
|----------------------|---------------|------------------|----------------|
| Jean Carlos Bautista | Lucia Correia | Briana Kane | Meera Reynolds |
| Marc Breslow | Ben Davis | Jeff Leupold | Lori Segall |
| Kerry Britland | Eric Dubin | Tiffany Mackie | Dilip Shah |
| Max Chang | Pavel Gavrilo | Erin Malone | Jeremy Shenk |
| Geoff Chapin | Tolle Graham | Cara Mottola | Mark Siegal |
| Jeanne Cherry | Vin Graziano | Matthew Nelson | Katie Simpson |
| Larry Chretien | Natalie Hildt | Jeremy Newberger | Peter Stein |
| Jasmine Chung | Birud Jhaveri | Stephanie Parker | Mary Vogel |
| MaryJo Connelly | Jenn Kallay | Mike Prokosch | |

I. Introduction

Gorke convened the meeting. Paul Deare has resigned and designees are present for Paul Gromer and Michael Sommer. Gorke thanked all those participating for their hard work so far.

II. Presentation of Consultant Review of PA Plans

Horowitz presented a summary of the EEAC's Consultant Team's review of the latest submission by the Program Administrators (PAs). This included a comparison of the estimates of savings, benefits and costs between the Consultant's analysis and the PAs. He noted that the PA plans need to be more aggressive to be consistent with the Council adopted Assessment of available energy efficiency. He noted that the most recent plan is not the final plan, and that changes, such as results from the forthcoming avoided cost study will be accommodated in the next version. The presentation, (posted on the web at <http://www.ma-eeac.org/docs.htm>) highlighted several Consultant recommendations with regard to program design.

Horowitz presented the Consultant's proposed action items. He suggested that the working groups of PAs and Consultants meet in the near future to focus on the points raised by the Consultant's analysis and move collectively towards final program design and description based on the Council's priorities and resolutions. He suggested that the Council review components of the plan as issues are resolved. He also recommended that the Council consider revised Consultant recommendations on evaluation, monitoring, and verification design and performance incentives at the next meeting.

Harak asked for the basis for the difference between PA and Consultant estimates and Horowitz responded that this is being determined. He then responded to a question from Krasnow by elaborating on the drivers of the differences in the electric plan. Nosal asked about performance incentive design and Horowitz responded that the goals, not the mechanism, may need adjustment.

III. Council resolution on the July 16 statewide energy efficiency plan

Clark moved and Edmondson seconded that the Council approve the "EEAC Resolution Concerning the July 16,2009 Statewide Electric and Gas Energy Efficiency Plans" as presented. Councilor proposed amendments regarding air quality, funding mechanisms, and job retention. The Council reviewed an amended resolution and Clark moved and Rio seconded that the resolution be approved as amended. The motion passed unanimously. (The full text of the approved resolution is available at the website noted above.)

IV. Proposed work plan through October 31, 2009

Gorke noted that this plan provides a means of moving forward to address outstanding issues. Horowitz presented the proposal with Schlegel participating by telephone. The Consultants recommend that the Council review and take action on specific sections of the plan as issues are resolved and details available. These sections would then be consolidated into a final document for Council action in October. The Consultants propose a schedule for these sections.

- A. With regard to plans prepared by individual utilities, the Consultants anticipate that they will conform to the statewide Plan. Lyne confirmed this is the PAs intent. The Consultants will work with the PAs and DOER to develop a final schedule for Council consideration.

V. Rate and Bill Impacts

Jhaveri presented the tool developed for the analysis of rate and bill impacts. (This presentation is available on the web.) Next steps include work on a supplemental filing for bill impacts and additional scenario analyses. Nosal stated that the bill impacts of energy efficiency charges are comparable to those of major rate cases, and that other actions are impacting bills and rates. Gorke stated that the tool has been developed consistent with the direction of the Green Communities Act and the Docket 08-50 order and thanked Baystate Gas and NSTAR for their participation in developing the tool.

VI. Wrap Up and next steps - Gorke

Gorke asked if the Council would prefer to return to the two-hour meeting duration, and after some input determined to leave it on the calendar for three hours. He noted that the next meeting would include discussion of the EM&V and performance incentive designs, and an update on the outreach plan.

VII. Public Comment

Roger Morganzati suggested that the public comment period be placed at the beginning of the agenda and noted that much of the “low hanging fruit” has been acquired by his constituents.

Darlene Lombos expressed support for the resolution passed by the Council today, which she interprets as a signal that the Council is willing to work with her constituency. She reported that her constituency is excited about the prospect of working with the Council on financing, community mobilization, and high value jobs.

Paul Johnson asked what would happen if it appear plan objectives were not being achieved and Stout responded that the PAs have experience in adaptive management of energy efficiency programs.

VIII. Adjourned at 5PM.