

Massachusetts Energy Efficiency Advisory Council
 Meeting Minutes (DRAFT)
 Tuesday, September 14, 2010

Councilors Present:

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

DOER: Steven Venezia

Consultants: Paul Horowitz, Jeff Schlegel, John Livermore

Present:

Marc Breslow	Geoff Chapin	Tina Halfpenny
Loie Hayes	Natalie Hildt	Lyn Huckabee
Susan Kaplan	Jeff Leupold	Emmett Lyne
Adin Maynard	Michael McAteer	Lori Segall
Sam Nutter	Lisa Shea	Jeremy Shenk
Tilak Subrahmanian	Christine Vaughan	Lisa Clauson
Joe Walsh	Crystal Beauregard	Aprille Soderman
Toby Ast	Chris White	David Gibbons
Jim Cabut	Tim Gould	Kevin Loos
Keith Wrightson	Diana Bell	Timothy Hall
Nicole Bell	Courtney Moriarta	Rob Calnan
Dave Hope	Tina Haggerty	

I. Introduction

Gorke convened the meeting at 2:05pm. He noted anticipating significant public comment and said he would aim to create as much time for this as possible at the end of the meeting.

II. Mid-Term Modification Filings Schedule and Process

Gorke noted that he would skip over the preamble (we are making progress and working well together) and commented that it would have been better to have more information

come through from the PAs on the Mid-term Modifications (MTM) by now. He indicated that the Council would make do with what became available, and that if anything needed a vote it would have to happen at the October 12th Council meeting. Schlegel mentioned having heard from several councilors wanting to have more information now. He noted that the Council will need to be prepared to give feedback to PAs at the October meeting.

III. 2011 Mid-Term Modifications (MTM) Filings Due on October 29

Schlegel introduced the consultant straw proposal: PA filings triggered by the DPU guidelines and a second document that tells the story for 2011 going forward (e.g. key program enhancements, how were evaluation results incorporated into programs; rental housing strategy). Lyne indicated that the PA proposal has a lot of similarities to this two-part proposal, with some differences in the details. He explained that the PAs are proposing an Executive Summary to their DPU filings that would help to tell the story, with the overarching view that the MTM filings should be focused only on elements required by the DPU. He noted that the PAs had what they believed to be DPU guidance as to what was expected in the MTMs: a change in budget, goals or savings of greater than 20% over the three year plan period. Lyne indicated that each PA was reviewing savings goals and budgets based on its experience and service area to determine if it would need to submit any MTM proposals to the DPU.

Gorke noted that the significance of the 3-year goals to DOER and the Council could not be overstated. Lyne acknowledged the importance of the savings goals and indicated the PAs' efforts to meet those targets. He provided a brief summary of items being addressed related to the MTM development. . He noted that the PAs propose to provide an update of finalized program design enhancements that do not trigger MTM filings in summary format in the third quarter's Qualitative Report.

McDiarmid expressed concern about any slippage in 2011 savings targets, and asked the PAs to get their MTM proposals to the Council well in advance of the October meeting. Rathbun opined that the PAs should not need to go to the DPU for small changes.

Gorke reminded Councilors that the performance incentive mechanism included three components: savings, value, and performance metrics. Gorke noted that while this overall mechanism was the right one, he wanted to streamline it with fewer metrics, each with a higher level of incentive amount. He noted that with the value component, it would make sense to include ratepayer cost as a piece of the formula, with more emphasis on wisely spending ratepayer dollars. White indicated that the PAs are not in agreement with all of the changes proposed by DOER, although there is agreement that fewer performance metrics made sense.

Technical Reference Manual (TRM) update

Newberger provided an update on the status of the TRM. He explained that the TRM includes measure information (measure description, algorithms/assumptions for estimating savings, and description of impact factors) and a section with a list of all referenced studies and papers. Newberger noted that the PA measure level groups were

currently finalizing numbers, with the goal to complete the process in time to include TRM data into the 08-50 tables that would accompany the MTM filings. He explained that there will be two versions of the TRM associated with any calendar year: the 'plan' version that will be filed with the 2011 MTMs, and the 'report' version that will be filed with the 2011 Annual Reports, reflecting any adjusted impact factors based on evaluation results.

IV. Report on Mass Save Home Energy

Halfpenny, Cummings and Livermore presented an update on progress made by the Steering Committee on program design enhancements to the Mass Save Home Energy Services program. Livermore noted that the Steering Committee has made significant progress on key issues, including pricing, audit software, and the 'market model', the first iteration of which was first presented at the May meeting. Cummings reviewed the results of the three contractor focus groups held around the state, and noted that the input had been incorporated in the Steering Committee discussions on the market model. Halfpenny reported on the new market model, which responds to the need to maximize program points of entry without losing the effective program delivery structure. Breslow asked about how independent energy assessors can participate; Buchler responded that such contractors would subcontract to a lead vendor, and that the details of this relationship need to be worked out. Councilors asked that the 'merit system' for distributing installation work to independent contractors be shared once the details were worked out. Halfpenny noted that common measure pricing Requests For Information were going out on September 20, and that common pricing would be rolled into overall program RFPs. Harak and Rathbun commented on the good progress and thanked the Steering Committee for its work.

A discussion of implementation timing of the design enhancements ensued. The PAs indicated that from a procurement standpoint, the end of March is when they anticipate having new vendors in place. Gorke indicated that January 1, 2011 had been the assumption about implementation of new design enhancements, with a potential transition period. It was agreed that some program enhancement pieces could begin on January 1, while others would take until March; the Council asked the PAs to develop further clarity on this.

V. Report on Rental Housing Landlord Strategy

Haggerty presented a set of slides to update the Council on the PAs' rental housing and landlord strategy development. She outlined the PAs' two-phase strategy of first enhancing outreach efforts to landlords, reporting on the prevalence of pre-weatherization barriers, referring customer to other sources to address those barriers, and assessing the economic feasibility of alternative incentive structures. The second phase would, based on the results of phase one, be to implement an enhanced incentive structure. Livermore noted that the PA strategy development is based on a consultant-drafted position paper that included input from Breslow, and he encouraged the PAs to look at incentive modification and landlord financing as part of phase one. Subrahmanian noted that the

PAs are working on the landlord financing piece. Breslow mentioned that there appears to be consensus at the RMC to be flexible on the \$2,000 per unit limit, to address energy saving opportunities where they exist across the units, while not exceeding the incentive cap for the entire building (e.g., \$6,000 for a triple-decker).. Wells indicated that this approach is similar to how the low-income program allocates eligible monies to its projects. Loh asked the PAs if, in phase one, they could conduct an assessment of how well the program is reaching renters, to establish a baseline.

VIII. Hard to Reach Customers

Halfpenny presented a series of slides to the Council on National Grid's pilot efforts to target hard to reach customers for a lighting initiative. For the pilot, 'hard to reach' customers were defined as lower income (not LI) and non-English speaking. A mapping study of customers in NGRID territory found the highest concentration in this category to be Spanish-speaking customers. Halfpenny reported on focus group meetings that had been held and that had explored different Spanish language messaging and images. She noted that the Company has targeted outreach at retail buildings, direct mail to Hispanic customers, and bus advertising in the Worcester area. She also reported on the 6 foot CFL sculptures that have been commissioned for Worcester community centers and are to be decorated in October by area artists. Loh commented on the great work with the demographic data to better understand our population and how better to address all customers through the programs.

IX. Council Calendar

Schlegel reminded the Councilors that the council calendar gets posted once per month on the EEAC website. He encouraged input from the councilors.

X. Consultant Team Report and Expenditure Report

Horowitz noted that the consultant team report had been circulated to Councilors ahead of the meeting.

General Updates

Gorke explained that DOER has just won a \$2.5 grant from U.S. DOE for residential program delivery in Springfield, working with WMECO, BSG, and NGRID. He noted that everyone is very excited, and that the Council will be updated when more details are available.

Loh expressed appreciation for all the hard work that has been undertaken by all, as well as some concern that some building blocks needed to get to deeper savings were lagging. Loh noted that the Green Justice Coalition has offered their thoughts on structural barriers to getting to deeper savings and access for hard-to-reach customers. He emphasized the need to reach this market segment.

XI. Public Comments

A series of public comments were made by various meeting attendees. Gorke encouraged speakers to send their comments in writing, if possible.

XII. Gorke thanked everyone for their time and adjourned the meeting at 4:51pm.