



Memorandum

To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date 6 June 2013
Subject May Monthly Report

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

Highlights from the Advisory Groups

Planning & Analysis Advisory Group

- Attended the EEAC meeting on May 16 and participated in the Executive Committee meeting on May 22. Briefed several individual Councilors in advance of the EEAC meeting.
- Provided support to the EEAC Executive Committee in meetings and through briefings and written materials on reporting streamlining, statewide database, consultant expenditures, and AESC/avoided cost study updates.
- Participated in the DPU 11-120 reporting streamlining working group on May 7. Provided input and answered questions regarding reporting practices before the Council, as part of the DPU's working group regarding the regulatory review, reporting, and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications.
- Discussed reporting issues, needs, and priorities related to the DPU 11-120 working group on reporting streamlining with individual Councilors and the PAs, following on from the May 7 DPU working group meeting. Discussed several potential improvements that could be made to future reporting (including for the annual and quarterly reports), for plan updates, and to data management and data processing systems that support reporting on the EE programs and portfolio.
- With the input from councilors, worked with the PAs to implement improvements to the quarterly report template to be used for quarterly reports in 2013. The revised version was used for the 2013 Q1 quarterly report, which was presented at the May 16 Council meeting. Reviewed and commented on the Q1 quarterly report and the monthly dashboards.
- Supported the design and development of the statewide database, as directed by the Council and the Council's statewide database Subcommittee. Supported the development of the final Request for Responses (RFR) for a database consultant and facilitator, including assisting with revisions to the

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RFR/RFQQ. Participated in the statewide database Subcommittee as assigned. Discussed the CT Dashboard reporting system.

- Continued making progress on the consultant-recommended *interim* approach to data and data management, focused on improving effectiveness and efficiency, to ensure reliable and internally-consistent data in the interim while the statewide database is being developed. Discussed PA questions on and responses to the concept with the PAs.
- Provided the EEAC Consultant analysis of the 2010-2012 results and preliminary year-end data summarizing the performance of the 2010-2012 EE programs, which was presented to the Council in March, to the DPU staff, as an example of a high-level look back at the performance of the Three-Year Plan programs.
- Continued the analysis of the bill impacts associated with the final Three-Year Plan, based on the final values and surcharges included in the PA compliance filings in March. Analyzed incremental and total bill impacts for electric and gas customers.
- Continued work on the regional avoided costs study (also known as the Avoided Energy Supply Component or AESC study). Reviewed draft documents on the gas price forecast, energy forecast, capacity forecast, DRIPE, environmental compliance costs, and other tasks and issues in the avoided cost study based on the draft materials prepared by the consultant (Synapse). Participated in the study group conference calls to review and discuss the study topics, issues, and draft deliverables. This study is moving forward at a rapid pace, with multiple interim work products to be reviewed weekly. The initial results for the various components were produced in May, and a draft final report is scheduled to be provided on June 7.
- Interacted with the PAs and the management committees in May to discuss and ensure the early and effective implementation of the key components of the Three-Year Plan, including the key program enhancements, strategies, and action plans, in order to achieve the savings and benefits goals, maximize the use of best practices, serve all segments of MA customers, and support the Council's priorities, while also encouraging the cost-efficient use of ratepayer funding. Reviewed the action plans being developed and implemented by the PAs, including as part of the review of the Q1 quarterly report.
- Reviewed 2011 actual performance reported and performance incentives claimed as set forth in the 2011 Annual Reports, with a focus on the treatment of Non-Energy Impacts (NEIs) in the Plan vs. the Annual Reports. Discussed with DOER and Attorney General Staff.
- Reviewed/commented on PA revisions and updates for the 2012 Report TRM, per the TRM process and schedule.

C&I Advisory Group

- Continued to work with PAs to address issues raised by DEP with water/wastewater segment.

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- Researched Commercial PACE financing as a method to overcome Commercial Real Estate energy efficiency barriers. Held calls with various national and regional stakeholders and DOER. Plan to disseminate information to Commercial Real Estate Working Group.
- Presented and vetted potential topics with PAs for best practice research by the Consultant Team, with the goal of providing recommendations for strategic enhancements to programs to support achievement of Three-Year Plan commitments and targets. Research topics are aligned with specific Plan commitments, Council Priorities, and/or areas where there is potential for greater or lower cost efficiency savings. The first three topics to be researched are: 1) national best practices with Restaurants and Lodging, 2) national best practices with Healthcare and Hospitals, and 3) national best practices with Commissioning/Retro-commissioning.
- Continued to work with PAs to address issues in multifamily initiatives to support greater comprehensiveness and seamless delivery.
- Continued to work with PAs to support completion of Three-Year Plan Commitments and associated Action Plans. A status of key near-term plan commitments follows:
 - Process for Stakeholder Input by Q2 2013 – Complete
 - New Consistent Dedicated Approach to Municipalities – National Grid and NSTAR continue to work on issues in developing a consistent municipal model. To minimize customer/vendor confusion and align with typical calendar year program changes, the new consistent municipal model will be announced and implemented statewide at the beginning of the next calendar year, January 1, 2014.
 - Community Mobilization – PAs are working to design new community based delivery model that will target “Main Street” areas of municipalities. NSTAR is now piloting this model in two communities. Other PAs have selected potential communities in their respective territories. Once the results of the NSTAR pilot are complete, the model will be considered for adoption by Q4 2013.
 - Improved Financial Tools – PAs have developed a new spreadsheet financial tool to assist customers in evaluating efficiency investments. The new tool is in final review and the PAs are on track to complete the Pro Forma in Q2 2013.
 - Targeted Strategies for Wastewater Treatment Plants – Consultant team has engaged PAs and DEP to address this plan commitment to develop recommendations for a sustainable financial assistance model for the Water/Wastewater segment in Q2 2013.
 - Targeted Strategies for Grocery – PAs are in final stages of development of a new go-to-market strategy for the small to medium-sized grocery segment. The new offering combines targeted messaging with bundled incentives to increase participation and depth of savings with the small and medium-sized grocery segment. The new offering will be implemented in Q2 2013.



- Upstream HVAC – PAs expanded the highly successful upstream lighting approach to HVAC equipment on April 1, 2013. The new upstream model is the first of its kind in the Eastern US and is expected to significantly increase participation and savings with commercial HVAC equipment.

Residential and Low Income Advisory Group

The Residential Advisory Group covered key program areas by engaging with the Residential Management Committee (RMC) and key initiative working groups and on several topics.

- **General:** Engaged the PAs on high level Residential Sector issues at the Residential Management Committee (RMC) meetings, and through individual communications with RMC members. Performed national and regional best practice research, including outreach to national energy efficiency thought leaders, in preparation for three papers on 1) the Lighting CFL to LED transition, 2) Multifamily barriers, and 3) What's Next in Residential Energy Efficiency. Reviewed and summarized current PA initiative-level reporting provided to Council Consultants. Monitored PA progress on new initiative enhancements and action plans. Participated in the Residential EM&V Planning Forum. Communicated and coordinated with the DOER Residential Team liaison regarding residential sector issues. Facilitated communication between Clean Energy Center and the RMC on complementary initiatives (Efficient Neighborhoods+, Solarize Mass, and Community Energy Strategies pilot). Participated in weekly EEAC Consulting Team call and RES Consulting Team coordination calls. Began transition of Residential Lead Consultant responsibilities from John Livermore to Margie Lynch.
- **Lighting & Products:** Reviewed, analyzed, and reported on PA Lighting and Appliance Initiative reporting for April and for May. Reviewed NEEP lighting PowerPoint presentation. Participated in Osram Sylvania Lighting Socket Saturation webinar, review of study data. Participated in NEEP consumer electronics webinar. Continued to monitor proposed lighting market lift activities. Monitored continued progress of both regional (all homes) and MA-specific low income lighting hours of use studies.
- **HVAC:** Participated in NEEP HPWH webinar with regulators and their staff to discuss technology promotion. Summarized current treatment of ductless split heat pumps in MA and other northeast states in context of planned NEEP cold climate heat pump meeting later in June.
- **HES:** Reviewed Best Practice working group meeting agenda, minutes, assignments, and meeting materials. Communicated with Clean Energy Center (CEC) personnel on Efficient Neighborhoods+ initiative and potential synergies with Solarize Mass and Community Energy Strategies pilot. Participated in multi-state discussion of developing comparative metrics for existing home retrofit programs to inform best practices.
- **Multifamily:** Performed national and regional best practice research on multifamily retrofit program barriers, including a full review of multifamily planning documents, screening files, and annual reporting.
- **Low Income:** Reviewed Low Income Best Practices working group meeting agenda, minutes, assignments, and meeting materials. Reviewed low income metric performance update.



- **Evaluation Coordination:** Continued review and comment on Cool Smart/HEHE net to gross, market effects and early retirement study; consideration of significant fuel conversion among program participants. Reviewed and provided comments on lighting supplier interview and onsite reports.

Evaluation, Measurement & Verification Advisory Group

- **EM&V Implementation:** Moved toward the finish line a large number of 2012-2013 studies in the implementation stage, including a variety of impact evaluations, market assessment studies, and process evaluations. A majority of these studies are expected to be completed by June 2013.
- **TRM:** Worked with the PAs to pin down approximately 28 studies that are expected to be completed in time for the final project reports to be incorporated into the upcoming 2012 annual reports. Where applicable, worked with the PAs to convert impact results into specific revisions to the 2012 report version of the TRM. Where applicable, also developed prospective applications of the impact results, to be used in the next plan version of the TRM. For a variety of reasons, the prospective and retrospective applications of impact results may differ.
- **EM&V Reports:** Reviewed and/or finalized approximately 28 final evaluation reports that are to be filed with the 2012 annual reports.
- **EM&V Planning:** On May 14, held an all-day Residential EM&V planning meeting attended by about 50 people, including PA and EEAC consultant evaluators, program staff, EM&V contractors, stakeholders, DOER and the DPU. The meeting resulted in agreement on a large number of new residential studies to be undertaken over the next year and incremental progress on longer-term strategic planning issues. Continued early scoping of new studies agreed upon in the late-February C&I and Cross-Cutting evaluation planning meetings. Met with the new EMC strategic planning subcommittee to work on strategic planning issues discussed in the evaluation planning meetings.
- **EM&V Policy Issues:** Continued work with the PAs and EM&V contractors to analyze the issue of possible effects of Green Communities on NTG studies. Worked with the PAs, EEAC consultant planning and residential advisory groups, and DOER to assess the implications of evaluation results indicating that program-induced oil-to-gas fuel switching is quite prevalent in the HEHE program. Collaborated with EEAC Consultant planning team to develop recommendations for reporting component of DPU 11-120 process. Met with representatives of the Attorney General to provide updates on EM&V issues.
- **Contractor Recruitment:** Completed negotiations to extend contracts with EM&V contractor teams in the C&I and Cross-Cutting research areas.
- **Miscellaneous:** Through review of sample individual site reports from C&I impact evaluations, identified opportunities to improve feedback to PAs on ex-ante savings estimation process



Upcoming Activities

The sections below detail expected project efforts in the coming month. The calendar view of upcoming events has been discontinued.

Planning & Analysis Advisory Group

The Planning & Analysis group will undertake several tasks in the next few months:

- Continue meeting with the PAs to discuss and ensure the early and effective implementation of the key components of the Three-Year Plan, including the key program enhancements, strategies, and action plans, in order to achieve the savings and benefits goals, maximize the use of best practices, serve all segments of MA customers, and support the Council's priorities, while also ensuring the cost-efficient use of ratepayer funding.
- Review, analyze, and comment on the draft final report and all draft work products and deliverables for the regional avoided costs study (the Avoided Energy Supply Component or AESC study) being conducted in 2013. Review the draft report and draft work products/deliverables, and participate in study group conference calls on the study approach (and any revisions to the approach), work products, and draft deliverables. The initial results for the various components were produced in May, the draft final report is to be distributed on June 7, and the study results are scheduled to be presented on June 21. This regional avoided cost study is the single most important analysis for the EE programs in MA, because it will impact the benefits and cost-effectiveness of all EE programs, electric and gas, for several years.
- Review, analyze, and comment on the 2013 quarterly reports and the dashboard monthly reports and trends. Also, working with the PAs, complete the new template for the quarterly reports, focusing on the benefits and GHG reporting (Q2 and Q4 reporting), and implement any additional revisions identified and directed by the Council as a result of EEAC review of the revised template used for the Q1 report.
- Support the design and development of the statewide database, as directed by the Council and the Council's statewide database Subcommittee. Support the procurement of a database consultant and facilitator to assist in the design of the statewide database. Participate in the statewide database working group as assigned.
- Work with the PAs to develop and implement a more effective and efficient *interim* approach to data and data management, to ensure reliable and internally-consistent data in the interim while the statewide database is being developed.
- Support the Council, as directed, in its review and analysis of the DPU NOI Phase II order and the EE Guidelines, regarding the regulatory review, reporting, and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications. Participate in the DPU 11-120 reporting streamlining working group as directed by the Council.
- Support the Council by continuing analysis and work on the DPU EE Guidelines Phase I NOI regarding net savings and environmental/carbon compliance costs, as directed by the Council. Participate in



additional discussions or follow up as directed, including in future technical sessions or in meetings with the PAs and others. (The DPU Technical Session on the implementation of multi-year, market-focused approaches for determining net savings, originally scheduled for September 2012, was postponed and will be rescheduled in 2013.)

- Continue to review/comment on PA revisions to the 2012 Report TRM, per the TRM schedule and process.
- Participate on behalf of the Council in any other DPU 08-50 or 11-120 processes, as scheduled and as assigned by the Council.

C&I Advisory Group

The C&I Advisory Group will continue to support the implementation of the Plan. Specific areas of focus in coming months will include:

- Continuing to work with the PAs to support achievement of Three-Year Plan Commitments.
- Continuing to work with PAs, stakeholders, Council, and others to develop an integrated solution for utility-owned street lights.
- Continuing to work with PAs and DEP on Water/Wastewater strategy.
- Continuing to work with PAs to make a stronger connection and feedback loop between evaluation and implementation.
- Continuing to support the Commercial Real Estate Working Group and development of a PA roadmap to address the segment.
- Continuing National Best Practice Research to support PA strategy and achievement of Plan commitments.

Residential and Low Income Advisory Group

The Residential Advisory Group will continue to work with the PAs on planning tasks and preparation activities toward the successful implementation of the 2013-2015 statewide plan.

- Continue program planning discussions with the PAs at the Residential Management Committee (RMC), including on monitoring progress on the key Three Year Plan implementation tasks, and researching and drafting best practices papers. Continue to refine list and scope of next phase of best practice research, including on upstream residential HVAC, and continued progress toward deeper residential savings.
- Review draft final lighting evaluation reports

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- Review HEHE and CS evaluation findings; participate in call to discuss NTG and early retirement savings assumptions
- Monitor progress of C&I HVAC upstream efforts
- Review draft NEEP consumer electronics market strategies report.
- Facilitate communications with HVAC and DHW program administrators in CT and RI to discuss possible coordination on HVAC and DHW upstream activities.
- Monitor progress of regional residential lighting hours of use study.

EM&V Advisory Group

- In June, we expect our biggest single focus to be on finalizing the roughly 28 evaluation reports to be filed with the 2012 annual reports, along with the TRM revisions associated with finalized impact reports. In July, following the completion of the current wave of final reporting, we expect to turn our attention increasingly to the detailed scoping of planned new studies, and to the longer-term strategic planning process. Last, we will continue to engage on projects that are already in the planning stages, on in-progress projects that are scheduled to run into the Fall, and on ongoing EM&V policy issues.

The calendar that has been part of this report has been discontinued.