

Memo

To: **EEAC**
From: **Eric Belliveau and the EEAC Consultant Team**
Date: **June 24, 2015**
Subject: **May Monthly Report**

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

SUMMARY OF MAIN TASKS COVERED IN EACH SECTION OF THE REPORT

EM&V

- Completing and presenting two public webinars on EM&V results
- Refining the first draft of a Strategic Evaluation Plan (SEP) for 2016-2018
- Advancing toward completion 25-30 studies currently in the implementation stage
- Providing EM&V input on processes and deliverables including review of the April 30 Three-Year Plan filing, the goal setting process, the cost drivers analysis, and the savings accounting methodology for codes and standards support efforts in 2016-2018

PLANNING & ANALYSIS

- Preparing for, attending, and providing technical support for the EEAC and ExCom meetings
- Reviewing and analyzing the PAs' April 30 Draft Plan for 2016-2018
- Identifying, comparing, and analyzing the "key drivers" that account for the differences in savings and costs between the PA Draft Plan and the Consultant analysis
- Coordinating with the PAs on other cross-cutting topics through the Planning Analysis Group (PAG)
- Reviewing and drafting comments on the Unifil Mid-Term Modifications (MTMs)

RESIDENTIAL AND LOW INCOME

- Reviewing the draft 2016-2018 energy efficiency plan and identifying and analyzing differences between the PA Draft Plan and the Consultant analysis
- Preparing for the Council's June 4 residential, multi-family and low income workshop
- Reviewing and providing input on draft evaluation reports for HES and HEAT Loans, Efficient Neighborhoods+®, and behavior as well as the presentation for the June 1 residential evaluation webinar
- Discussing potential future enhancements to the Home Energy Services Initiative with the Residential Management Committee

COMMERCIAL AND INDUSTRIAL

- Reviewing the draft 2016-2018 energy efficiency plan and identifying and analyzing differences between the PA Draft Plan and the Consultant analysis
- Researching behavioral and Strategic Energy Management/Continuous Energy Improvement programs and beginning work on a memo on this topic
- Providing input to the EM&V Group for content for two webinars
- Working to better understand the Leidos industrial initiative through calls and interviews

TECHNICAL SERVICES

- Continuing regular administrative functions, including EEAC meeting minutes and website maintenance and document uploads

EVALUATION, MEASUREMENT & VERIFICATION

In May, the EM&V Advisory Group continued its full range of ongoing activities related to EM&V planning, implementation, reporting, policy, and outreach issues. One particularly noteworthy activity this month was the completion of two public webinars intended to disseminate the results from 28 EM&V reports recently finalized and posted on the Council's website. The webinars were ultimately presented on May 27 and June 1.

Oversee EM&V Planning

Working with the PAs, the group worked to refine the first draft of a 2016-2018 Strategic Evaluation Plan (SEP) that was included as an appendix to the April 30 Three-Year Plan filing. In May the Group began to flesh out some of the specific, high-priority project ideas included in the first draft of the SEP. Councilors and stakeholders are invited to comment on the draft SEP, and a meeting to solicit stakeholder input may be held if needed. A final draft of the plan will be included with the final draft of the overall Three-Year Plans to be filed in October.

The group also worked with the PAs on the detailed scoping of several new studies to be initiated in the near-term. These include studies on the health-related non-energy benefits of low-income programs, LED spillover effects in the commercial sector, support for ongoing collection of EM&V-related data from HVAC manufacturers.

Oversee EM&V Study Implementation

The Group advanced toward completion roughly 25-30 studies currently in the implementation stage. A few examples include the following studies: C&I On-Site and Market Share; C&I Customer Gas impact; Minisplit Field Monitoring; C&I Gas NTG Self-Report; and LED Incremental Cost study.

Oversee EM&V Reporting

As discussed in previous monthly EM&V reports, the Group emerged from an unusually heavy reporting period in March that had been in effect for several months, finalizing and posting approximately 28 EM&V reports on the Council's website. In April, the group began work on three public presentations intended to disseminate the results of this recent wave of final reports, including a public webinar on residential results, a public webinar on non-residential results, and an in-person overall presentation at the June Council meeting. The public webinars on non-residential and residential results were ultimately presented on May 27 and June 1, respectively.

Several more final reports were in progress in May, including a first draft of a major report on C&I code compliance.

Finally, the group responded to several queries from individual Councilors and DOER regarding new evaluation results and potential implications thereof.

EM&V Policy Issues

The Group provided EM&V input into a number of broader processes and deliverables, including review of the April 30 Three-Year Plan filing, the goal setting process, the cost drivers analysis, and the savings accounting methodology for codes and standards support efforts in 2016-2018. The Group also continued working with the PAs on the development of savings parameter assumptions that either were included in the April 30 filing or will be included in the next draft of the Three-Year Plan. Refinement of savings parameter assumptions based on EM&V results is expected to be ongoing through the Fall of 2015, when the final draft of the Three-Year Plan filing is due.

Finally, the group continued discussing the effects of NGRID's residential electric EM&V budget situation with the PAs. As mentioned in previous monthly reports, we received word from NGRID in March that higher-than-expected levels of program activity in the residential electric program area had led it to file a mid-term modification (MTM) request to the DPU. In order to help find additional funds to continue operating residential electric programs, NGRID proposed to defer any new, currently unplanned residential electric EM&V studies to 2016. In June, we were notified that this issue had been resolved by NGRID's decision to file a second MTM request, this one with the Council, that would include a request for continued funding of residential electric EM&V activities.

Miscellaneous Activities

In late May, the Group met with the PAs and the Residential EM&V contractor team to discuss overall contract management and performance issues.

PLANNING AND ANALYSIS

In May, the Planning and Analysis (P&A) Advisory Group focused on the primary tasks described below to support the effective implementation of the key components of the 2013-2015 Three-Year Plan, and to assist with the development of the next Three-Year Plan. The Group's primary tasks in May were the review of the PA April 30 Draft Plan and the initial identification and analysis of the "key drivers" of the differences in the savings goals and costs between the PA Draft Plan and the Consultant Team analysis.

Participate in EEAC Meetings; Brief and Support the Council

The P&A Advisory Group prepared for, attended, and provided technical support during the EEAC meeting on May 19 and the ExCom meeting on May 14. The Group coordinated with DOER as chair of the Council on a weekly basis, and briefed individual Councilors in advance of the EEAC meeting and during the month (the substantive issues and outcomes are summarized in the task descriptions below). EEAC Meeting and Council support is on-going and is a regular monthly task area.

Support the Council on Regulatory Issues and DPU Proceedings

The P&A Advisory Group reviewed and analyzed the Utilit proposed MTM, and drafted the EEAC comments on the proposed MTM, which were reviewed and approved by the EEAC at the May 19 meeting.

Provide Technical Analysis

The P&A Advisory Group coordinated internally on bill impact analysis for the EEAC and the Plan requirements of the DPU, in advance of receiving the estimated bill impacts of the PA Draft Plan. The Group revised/expanded the bill impact analysis and tables to include electric and gas bill impacts for five types of typical customers.

Input and Analysis for the 2016-2018 Three-Year Plan

The P&A Advisory Group reviewed and analyzed the Draft 2016-2018 Plan prepared by the PAs and received on April 30. The Group compared the savings, budgets and bill impacts in the PA Draft Plan to the Consultant analysis provided to the EEAC and the PAs in late April. As part of the review, and collaborating with the PAs, the Group identified, compared, and began analysis of the "key drivers" that account for and cause the differences in savings and costs between the PA Draft Plan and the Consultant analysis. This collaborative work with the PAs on key drivers to identify and hopefully resolve or at least reduce the differences is expected to continue through June and July.

The Group coordinated and compared notes with the PAs on other cross-cutting Plan topics through the Planning Analysis Group (PAG) meeting on May 22.

The P&A Group discussed and considered the treatment of oil savings and peak demand reductions for possible inclusion in the savings framework and future Term Sheets for the 2016-2018 Plan.

The P&A Group assisted in developing revisions to the planning process and schedule, in coordination with DOER as the Chair of the EEAC.

RESIDENTIAL AND LOW INCOME SECTORS

In May, the Residential Advisory Group's continued primary focus was on 2016-2018 planning activities, which are described more fully below.

Input and Recommendations for the 2016-2018 Plan

With the publication of the Draft 2016-2018 energy efficiency plan on April 30, the Group spent much of May

reviewing and analyzing the draft plan. This work included reviewing the draft plan text and goals, comparing draft plan residential and low income goals to the Consultants' proposed goals, and reviewing the PAs' BCR models and summaries of key inputs. The Residential Advisory Group provided content related to residential and low income issues for the Consultants' May 12 memorandum to the Council and May 19 presentation to the Council. The Group also compiled a list of key driver topics where additional discussion with the PAs is appropriate to understand and potentially narrow differences. The Group prepared for the June 4 Council workshop, including reviewing the PAs' responses to the Council's residential and low income recommendations from its March 31 resolution, participating in planning meetings, and drafting a presentation. The Group also provided a representative to the May 28 public hearing on the draft energy efficiency plan. The work area will continue to be the Group's primary focus in June with a particular emphasis on the key drivers discussions.

Multi-Family Retrofit

The work described above in the "Input and Recommendations for the 2016-2018 Plan" section included review of draft plan content related to the Multi-Family Retrofit Initiative and preparation of discussion questions related to this initiative for the June 4 workshop.

Home Energy Services

The Group prepared detailed comments on the combined HES/HEAT Loan draft evaluation and discussed with members of the EM&V Advisory Group. The Group also reviewed and provided comments on a draft incremental cost analysis of the Efficient Neighborhoods+® initiative and spoke with representatives of various efficiency organizations to learn more about how they are serving moderate income customers and renters. At the May 27 meeting of the Residential Management Committee, RMC and Group members discussed several items related to HES, including the PAs' assessment of new measures for duct sealing and spray foam insulation, uptake to date of new deeper savings insulation measures, assessment of EN+, and work to date on developing a moderate income offer.

Residential Products

Much of the Group's products-related work in May was associated with the 2016-2018 goals development work. This included review and analysis of CFL and LED incremental price data, ENERGY STAR® qualified LED and CFL product data, and the PAs' lighting Market Adoption Model. The Group also reviewed and analyzed monthly retail lighting and appliance data.

Innovation

The Group reviewed and provided comments on the draft Comprehensive Review of Behavior and Education Programs evaluation study, which included examples of several different models of behavior programs such as programs for smaller PAs and programs based in schools. This study will support ongoing discussions with the PAs about new and/or enhanced behavioral offerings.

COMMERCIAL AND INDUSTRIAL

Input and Analysis for the 2016-2018 Three-Year Plan

A significant part of the Group's time in May was spent reviewing the April 30 draft of the Three-Year Plan, and providing comments. Time was also spent preparing a presentation for the EEAC meeting. The C&I Group attended a Council meeting held on May 28 to solicit feedback from the public on the Plan. The Group also compiled a list of key driver topics to understand and explore difference between the PAs' Plan and the goals proposed by the Consultant Team..

Approaches for Increasing Energy Productivity

The C&I Advisory Group continued research on behavioral and Strategic Energy Management/Continuous Energy Improvement programs and began writing a forthcoming memo on this topic.

Incorporate Feedback from EM&V into the Programs

The C&I Group provided input to the EM&V Group for content for two webinars, one focused on C&I and one on residential EM&V results. The C&I Group also reviewed the On-site report, and performed analysis on the remaining potential for lighting savings in Massachusetts.

Comprehensive Segment Strategies

The C&I Group participated in CIMC meetings and calls. The Group also worked to better understand the Leidos industrial initiative through calls and interviews.

TECHNICAL SERVICES

Produce Minutes from all EEAC Meetings

The Consultant Team is charged with producing draft and final meeting minutes for each EEAC monthly meeting. The Team produced draft minutes for the May 19, 2015 EEAC meeting and forwarded them to the EEAC Chair. The EEAC Chair reviewed the minutes and had them posted on the EEAC website. The EEAC approved the March and April 2015 meeting minutes at their May 19 meeting. These minutes along with all documents and presentations distributed at the May 19 meeting have been posted on the EEAC website at <http://ma-eeac.org/may-19-2015-eeac-meeting-materials/>.

EEAC Website Upgrades, Revisions & Maintenance

Consultant Team staff continue to manage the updated website on a day-to-day basis. In May, this included posting materials for the May 19, 2015 meeting and other meetings that occurred during the month.

For the month of May 2015 there were:

- 3,097 sessions
- 1,907 unique users: 53% new visitors and 47% returning visitors
- 7,259 page views with an average of 2.3 page views per session

Produce the Annual Report to the DPU and Legislature

In May, the Consultant Team continued discussions to develop the 2014 Annual Report. In April, the Team had reached out to the PAs with a request for information to include in the report, but have not yet received this information.