



## MEETING MINUTES

**November 18, 2015**

MassHousing Board Room  
One Beacon Street, 4<sup>th</sup> Floor  
Boston, MA 02114

**Councilors Present:** JoAnn Bodemer (for Maggie Downey), Donald Boecke (for Maura Healey), Amy Boyd, Larry Chretien, Deborah Goddard (for Betsy Glynn), Paul Gromer, Frank Gundal (for Tilak Subrahmanian), Charles Harak, Elliott Jacobson, Paul Johnson, Judith Judson, Emmett Lyne (for Elizabeth Cellucci and Michael Sommer), Deirdre Manning, Michael McDonagh, Alana Murphy (for Chrystal Kornegay), Thomas Palma (for Cindy Carroll), Nancy Seidman (for Martin Suuberg), Brad Swing (for Austin Blackmon), Carol White, Eric Winkler, Danielle Winter (for Trish Walker)

**Councilors Absent:** Michael Ferrante, Richard Malmstrom, Andrew Newman, Robert Rio

**Consultants Present:** Eric Belliveau, Jeff Schlegel, Craig Johnson

**DOER Staff Present:** Ian Finlayson, Lyn Huckabee, Alex Pollard, Arah Schuur, Steven Venezia, Alissa Whiteman

**Others Present:** Nick Adams, Jessica Buno, Jonathan Goldberg, Decia Goodwin, Jodi Hanover, Sam Milton, Jerrold Oppenheim, Marlana Patton, Natalie Treat, Sharon Weber

### 1. Call to Order

Judson called the meeting to order at 1:08 PM

### 2. General Updates

Judson noted that the next executive committee meeting would be held on Wednesday December 2, 2015 and that the full council meeting that was originally scheduled for Wednesday December 9, 2015 had been moved to Wednesday December 16, 2015.

*EEAC Meeting Minutes – October 16, 2015*

A few Councilors noted that their attendance was not correctly represented. Lyne noted that he attended on behalf of Ellizabeth Celluci and Michael Sommer, Danielle Winter noted that she attended on behalf of Trish Walker, and Thomas Palma noted that he attended on behalf of Cindy Carroll. The minutes were amended accordingly. Winkler suggested that future minutes include a record of all individual Councilor votes.

Murphy motioned to approve the minutes as amended. Boyd seconded. All were in favor, with no opposed. Harak, Manning, and McDonagh abstained. Swing and Goddard were not present at the time of the vote. The minutes were approved as amended by the Council.

#### *EEAC Meeting Minutes – October 21, 2015*

Murphy motioned to approve the minutes as submitted. Boecke seconded. All were in favor, with no opposed or abstaining. Swing and Goddard were not present at the time of the vote. The minutes were approved as submitted by the Council.

#### *EEAC Meeting Minutes – October 26, 2015*

Murphy motioned to approve the minutes as submitted. McDonagh seconded. All were in favor, with no opposed or abstaining. Swing and Goddard were not present at the time of the vote. The minutes were approved as submitted by the Council.

#### *Process to Approve the 2016-2018 Plan*

Venezia reviewed the process for the DPU's approval of the Plan. He noted that the plans were filed on October 30<sup>th</sup> and that council track interveners petitioned to intervene on November 2<sup>nd</sup>. He noted that the AG, DOER, LEAN, CLF, Mass Energy, and Acadia Center are full interveners. He also noted that the Northeast Energy Efficiency Council filed as a limited participant and that three other groups had sought status as non-council track interveners. He noted that the PAs did not object to the admission of the limited participants, but that they recommended that the DPU clarify the guidelines as to who is and is not considered to be a council track participant. Venezia also noted that pre-hearing statements were filed on November 13<sup>th</sup> by the full interveners and that discovery had begun and would end on November 27<sup>th</sup> for those parties. Venezia also indicated that several groups, including the DPU, DOER, and CLF had issued common and company specific sets of information requests. He noted that the DPU reserved December 1<sup>st</sup> for a technical session, if necessary. He concluded by noting that the answers to council track information requests would be filed by December 4<sup>th</sup> and that evidentiary hearings would take place between December 7<sup>th</sup> and 15<sup>th</sup>.

### **3. Consultant Team Contract Extension**

Judson reviewed the specifics of the current consultant contract, including the current December 31<sup>st</sup> 2015 expiration date and the ability to extend the contract for up to one year. Judson relayed the Executive Committee recommendation to extend the contract for eight months, through August 31<sup>st</sup> 2016, so that the current consultant team could see through the wrap-up of the 2013-2015 plan and term year report. Optimal would develop a work plan based on Council priorities,

as well as a cost proposal; the EEAC would have to approve the work plan and cost proposal as well. Judson then asked if there were any questions or comments. Judson reviewed the plans to begin a new competitive procurement process for EEAC consultant in the spring of 2016 so that there would not be a gap in service.

Seidman asked if a further extension beyond the eight months would be possible if needed. Schuur responded that DOER would look at the contract to make sure that option was there.

McDonagh asked when the consultant work plan and budget would be reviewed. Schuur responded that the consultant work plan and budget would be reviewed in the January 2016 EEAC meeting and approved either then or in the February meeting.

There was a discussion about the next procurement process. Winkler suggested that the Council consider ways to get more bidders given the fact that no firms that have contracts with PAs can bid. Judson responded that that restriction is specified in the Green Communities Act. Johnson inquired when and how the Council would discuss the procurement process. Schuur responded that the Executive Committee would begin that discussion in January of 2016. Judson reminded the Council that conversations about the procurement would occur within the requirements of the Open Meeting Law.

Harak motioned to approve the extension of the current contract with Optimal Energy through August 31, 2016. Boyd seconded the motion. All were in favor, with no opposed or abstaining.

#### **4. Northeast Energy Efficiency Presentation**

Marlana Patton of Peregrine Energy Group presented on their recent report on the impact of the Green Communities Act of 2008 on the energy efficiency industry in Massachusetts. She noted that the question they were seeking to answer in their study was how the Green Communities Act of 2008 has impacted the numbers and types of businesses operating in the state that offer energy efficiency-related products and services. She noted that they drew five key conclusions from their study:

1. The population of companies offering energy efficiency services has grown. She noted the strong upward trajectory of companies working in the industry since 2008.
2. Many businesses have grown because of working with Massachusetts programs. She noted that companies they interviewed noted the direct correlation between program budget increases and growth in their businesses.
3. Non-efficiency businesses are now providing energy efficiency-related products and services.
4. Out-of-state businesses are being drawn to the Massachusetts market
5. A culture of energy efficiency has motivated local innovation. She noted that this has created strong market channels and financial predictability for companies.

As a result of their study, Patton noted that there are about 7,000 individual businesses working in energy efficiency in the state and that they generally fall into three categories – program management and evaluation, supply chain, and energy efficiency service delivery. She noted that

their main takeaway from categorizing the companies was that most companies working in the industry are not built with a specific focus on energy efficiency.

Winkler noted that out of the 7,000 businesses they found, about 5,000 of them were heating and cooling companies. With respect to that, he asked Patton how many of those existed in 2008. Patton noted that the data they collected did not reveal that kind of information, but that that is something they are interested in looking at as part of a next step in this process.

Winkler asked the PAs if they noticed a proportional increase in customer satisfaction with programs in relation to having more companies working in the industry. Gundal and White noted that the PAs have not tried to correlate that.

Johnson asked if they interviewed any companies that were not participating in the program to find out why they were not doing so. Patton noted that they did not as it was not part of the goal of the report, but that it is an interesting question for them to consider in their next steps.

## **5. Third Quarter Results and Year-End Projections**

Hanover presented the third quarter results and the year-end projects on behalf of the PAs. The presentation included a comparison of 2015 to 2013 and 2014 Quarter 3 year-to-date electric and gas spending and savings, year-to-date preliminary actuals by sector as a percent of annual and three-year plans for electric and gas, and projections on the statewide electric and gas spending and savings final numbers. Schlegel added that the results and projections indicated very good performance in the residential sector and that getting to 90% in the C&I sector would be a good accomplishment considering where they are now. White added that the remaining gap represents some very large projects that have taken them, in some cases, nearly all three years to complete.

Boyd asked if the C&I gas budget numbers were based on the original plan or the mid-term modifications. Hanover indicated they were based on the original plan.

Winkler asked if the PAs had any forecast on demand savings. Hanover indicated that they did not at the moment but that she could check with others and get back to him. Winkler also asked how evaluations would affect the results. Hanover noted that the final numbers will be adjusted positively or negatively by evaluations leading up to the final report.

## **6. DOER Nest Pilot Program Presentation**

Alissa Whiteman presented on the results of the winter portion of the DOER Nest Pilot Program. She gave an overview of the participants, described the three-week seasonal savings algorithm that was used, and the participants average savings in dollars. She also discussed key takeaways and next steps which included improvements to the algorithm to increase the number of eligible participants, an earlier deployment of the program to increase savings, and an indication that the winter program was likely adversely affected by the extreme winter weather.

White asked where the majority of the savings were coming from. Whiteman indicated that most of the saving were from gas. White also asked if DOER was planning on doing any follow up

research on the customers who elected to not opt-in or that opted out of the program. Whiteman noted that they did have a plan in place to do another program with Nest, but that there was not a plan at the moment to do any sort of follow up. White added that the PAs have proposed to focus on WiFi thermostats and that it would be important to coordinate with DOER as they do so.

Chretien asked DOER to let the Council know when they have a full report on this initiative. He also noted that savings can not be claimed under the program because it is not offered by the PAs. White noted that that was correct and that the PAs would be working on this technology in the future so that they would be able to claim savings. Judson added that DOER can use opportunities like this to fund a program to see what is effective so that effective initiatives can then be incorporated into the programs.

Johnson and White noted that there may be some challenges with getting Nest to work cooperatively with the PAs to provide data so that this initiative can be included in the program. Winkler also noted that it will be important to be able to quantify the savings in energy units if this is something that is going to be pursued.

## **7. Council Discussion on Priorities for 2016**

Judson began by noting that the Council would vote on the priorities in either December or early January. Belliveau presented the historical priority setting process and what past priorities have been as background for the discussion. He stressed the importance of having a succinct set of priorities. Schurr noted that the goal was to present an initial draft of four priorities and to have the Council discuss and submit feedback by December 2, 2015.

*Priority 1: Assess results of the 2013-2015 Three-Year Plan and support integrating lessons learned into the execution of the 2016-2018 Three-Year Plan*

Johnson noted that it was his interpretation that this was already covered in the resolution. Judson noted that it was, but that there may be additional lessons learned as they wrap up the current plan. Schlegel noted that one of the major activities in 2016 is the filing of the combined results of the 2013-2015 Plan and that that would not be finalized until sometime during 2016. On that note, he indicated that there may be lessons learned that come out of that process that the Council may want to integrate into the Plan.

*Priority 2: Support early success of priority program commitments and new initiatives in the 2016-2018 Three-Year Plan*

Schurr noted that this is an umbrella discussion for many of the program commitments that the PAs have agreed to in their plans. Judson added that the administration makes a big commitment to energy efficiency and that they could guarantee that this item would be watched closely.

Chretien noted that he would like to see explicit mention of achieving benefits and saving goals as part of this priority. Boyd agreed that this priority was a bit vague but that it was probably okay if it clearly references the resolution. Schurr noted that they are trying to keep some of these flexible.

Seidman noted that the intent and connection between priorities one and two is not clear. She wondered if this priority was intended to be a list from the resolution that is specific and that the first one was meant more as on-going, continuous improvement.

Johnson indicated that he did not like the use of the word “support,” noting that it is not concrete enough. He recommended that it be replaced with “track.” Lyne indicated that the PAs liked the language as is, noting that it represents a good statement about the expertise of the Council.

*Priority 3: Advance availability and effectiveness of data and information to assess and improve Energy Efficiency Programs*

Johnson noted that the top priority for 2015 was about the statewide database and that he thought this priority takes a step back from that. Chretien agreed and noted that the database would help create transparency that would in turn allow the Council to know what is working and what is not. White noted that she appreciated the way it was worded and said that it points to the collaborative nature of how the PAs and the voting members of the Council are expected to be working together.

Boecke noted that he was not sure if the Council should spend much more time on this matter as it is already being discussed at the DPU. Chretien noted that if they dropped this from their list of priorities then it may send the wrong message to the DPU and further delay their response. Boyd added that if the Council is specifically talking about the database with this priority, then it needs to be worded that way.

*Priority 4: Support innovation in technology and program models to control costs and improve customer access to and satisfaction with Energy Efficiency Programs*

Swing noted that he was curious to here from the DPU on the relationship between what is in the Three-Year Plan and the Council’s ability to actively monitor grid modernization. Judson added that they wanted to make sure they are capturing innovation and technology with this priority with or without grid modernization.

Gromer noted that he supported the inclusion of innovation of program models. Johnson added that he thought this was a good priority and offered that the word “control” be replaced with “reduce.” Boyd added that she would like to see enhanced opportunities for savings included in this resolution.

*Discussion of Possible Priorities not Listed in the Draft of Priorities*

Harak noted that he is interested in thinking about longer term priorities. He noted that it might be worth including a priority for the Council to start thinking about major shifts that they might need to make in order to go after even higher savings when it comes to the next Three-Year Plan. Gromer agreed and noted that there is just not enough time in the planning year to have those discussions so it would be great to get a head start on them. Boyd noted that she would like to see how energy efficiency programs contribute to the larger energy system. Johnson noted that

there should be some inclusion of looking at and achieving deeper savings. Goddard suggested that performance incentives be another item that should be a priority for the Council.

## **8. Adjournment**

Judson adjourned the meeting at 4:07 PM.