



Memorandum

To EEAC
From Eric Belliveau and the EEAC Consultant Team
Date 4 December 2013
Subject November Monthly Report

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

Planning & Analysis Advisory Group

- Prepared for and attended the EEAC meeting on November 12 and participated in the Executive Committee meeting on November 27. Briefed individual councilors in advance of the EEAC meeting.
- Supported the design and development of the statewide database, as directed by the Council and the Council's Statewide Database Subcommittee. Participated in the Statewide Database Working Group and the Council Database Subcommittee as assigned, and attended the two meetings on November 26. Prepared a memo with Consultant recommendations on the statewide database, which was distributed to the EEAC and the Statewide Database Working Group on November 25.
- Continued the review of 2010-2012 program performance, coordinating with the PAs, with a special focus on the C&I energy savings shortfalls and under-investments in 2011-2012. Followed up with the PAs on the Consultant summary presentation on achieving the C&I goals in 2013 and beyond. Requested more specific information on C&I progress year-to-date and forecasted year-end for the 2013 Q3 quarterly report discussion at the November 12 EEAC meeting.
- Reviewed the PAs' 2011 and 2012 Annual Reports, in preparation for the DPU proceeding reviewing the Annual Reports, with a focus on the reliability of the reported impacts and costs, the use of the evaluation results, non-energy impacts (NEIs), the PA performance incentive claims, and the performance incentive metrics claims and documentation. Prepared a Consultant memo with the findings of our review, distributed to the EEAC on November 5. Reviewed the DPU procedural schedule. Coordinated next steps, potential issues, and potential discovery items with individual councilors involved in the DPU proceeding.
- Continued work related to the regional avoided costs study. Reviewed options for applying the study results in MA for the 2014 and 2015 program years, discussed potential options with the PAs, and discussed the best options with Councilors. Participated in the DPU 11-120 working group meeting on November 8, and provided recommendations on 2013 AESC implementation in Massachusetts to the working group.

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- Reviewed options for an avoided cost of compliance with the Global Warming Solutions Act (GWSA), as an avoided cost for the cost-effectiveness analysis of energy efficiency programs, and also reviewed options for carbon avoided costs, including some options set forth in the 2013 AESC study. Followed up with Councilors regarding the DPU 11-120 technical session on avoided costs of GWSA compliance and carbon avoided costs held on October 30. Briefed individual councilors on the analysis and derivation of the avoided cost of compliance with GWSA in the 2013 AESC study. Participated in the DPU 11-120 interested parties meeting at CLF on November 14, and summarized the avoided costs of GWSA compliance during the meeting.
- Continued work on DPU 11-120 reporting streamlining regarding the regulatory review, reporting, and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications. Worked on reporting issues, needs, and priorities related to the DPU 11-120 working group with individual Councilors. Reviewed the PA-proposed template for future Plan-Year Reports, met with the PAs to review and comment, and requested clarifications. Participated in the DPU working group subcommittee meeting on November 8, which focused on the Plan-Year Report template. Discussed timing issues regarding the desirability of earlier reports and the scheduling of EM&V studies and results, acknowledging some increased flexibility under a three-year plan framework.
- Continued work with the PAs on the template for the Annual Implementation Update intended for the 2014 program year, as part of the Council review process. Recommended an example of the template for distribution to Councilors. Assisted with the preparation of a draft Council Resolution for consideration at the November 12 EEAC meeting, which the Council approved.
- Met with the PAs in the new Planning and Analysis group on November 15, and discussed timing issues regarding the desirability of earlier reports and the scheduling of EM&V studies and results. Proposed some potential revisions to Q4 and preliminary year end reports, and to EM&V study timing, for review and consideration by planners and evaluators. These timing issues will likely be a topic for the DPU 11-120 working group subcommittee meeting scheduled for December 19.
- Reviewed, analyzed, and commented on the 2013 Q3 quarterly reports and trends, in advance of and during the November 12 EEAC meeting, with special focus on 2013 year-to-date and PA estimates of forecasted year-end savings and expenditures.
- Continued making progress with DOER and the PAs 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 web-based file storage, versioning and version control (logs), PA data manager(s) responsible for data quality and internal consistency, and the importance of QA and consistent data for all users. Reiterated the importance of these interim data system improvements, data quality procedures, and data management processes in discussions with the PAs and DOER.
- Interacted with the PAs and the management committees to discuss and ensure the effective implementation of the key components of the 2013-2015 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.



Upcoming Activities

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

- Continue meeting with the PAs and management committees to discuss and ensure the early and effective implementation of the key components of the 2013-2015 Three-Year Plan. Significant focus will continue to be on the C&I programs and how to achieve the C&I goals.
- Support the design and development of the statewide database, and participate in the Statewide Database Working Group and the Council's Statewide Database Subcommittee, as directed by the Council. Coordinate with the database consultant/facilitator to assist in the design and scoping of the statewide database, including through interviews. Follow up on the consultant recommendations communicated in the November 25 memo.
- Continue working with the PAs on developing and implementing a more effective and efficient interim approach to data and data management.
- Review, analyze, and comment on the 2013 quarterly reports and the dashboard monthly reports and trends, with special focus on the achievement of the 2013 goals. Also, working with the PAs, complete the new template for the quarterly reports, focusing on the reporting of benefits and GHG emissions reductions (Q2 and Q4 reporting), consider how best to report on oil savings (continuing discussions), and implement any additional revisions identified and directed by the Council as a result of EEAC review of the revised template for the quarterly reports.
- Support the Council, as directed, in its review and analysis of the DPU NOI Phase II order and the EE Guidelines, through the DPU 11-120 reporting streamlining process regarding the regulatory review, reporting, and approval of performance reports, performance incentives, energy efficiency surcharges, and mid-term modifications. Review and comment on the revised PA-proposed template for future Plan-Year Reports (expected on December 11), and meet with the PAs to discuss the comments and suggestions. Participate in the DPU 11-120 reporting streamlining working group and subcommittee as directed by the Council.
- Continue the review of the PAs' 2011 and 2012 Annual Reports, provide the Consultant findings and recommendations to the Council and to individual councilors, and provide technical support during the DPU proceeding on the Annual Reports, including considering and reviewing discovery.
- Assist the Council in strategic planning efforts, including advance planning and identification of information and analysis needs for the development of the 2016-2018 Plan.
- Working with the PAs, begin early implementation of the template and summary narrative for an Annual Implementation Update to be used for the 2014 program year, to be considered and reviewed by the Council in February 2014.
- Coordinating with the PAs, analyze and assess the implications of the new 2013 AESC avoided cost values for 2014 and 2015 programs. Review options for applying the AESC study results in



Massachusetts for the 2014 and 2015 program years, and discuss and further clarify options with councilors in advance of the DPU 11-120 working group meeting scheduled for December 19. Participate in the DPU working group as assigned.

- Participate in the DPU 11-120 technical session and potential proceeding on avoided costs of GWSA compliance and carbon avoided costs, as assigned. Provide technical assistance for councilors participating in the DPU 11-120 process.
- 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.
- Continue to work on future tasks related to the Technical Reference Manual (TRM), per the TRM schedule and process.
- Participate on behalf of the Council in any other DPU 08-50 or DPU 11-120 processes, as scheduled and as assigned by the Council.

C&I Advisory Group

Highlights from the Past Month

The C&I Group continues to maintain focus on achieving the 2013 goals, informed by past experience and research.

- Finalized review of PA 2011/2012 Annual Report. Reviewed PA C&I metrics achievement level and supporting documentation for performance incentives. Sent memorandum to Council.
- Researched best practices on industrial energy efficiency program design. Sent recommendations to DOER.
- Kicked off collaborative research project with the PAs to investigate opportunities to enhance retro-commissioning and monitoring-based commissioning offerings and participation in MA. Developed and prioritized the criteria and proposed a scoring system that will be used to identify best practices. Identified four programs that will receive in-depth investigation by the Consultants to identify effective practices that will then be evaluated against the best practice criteria. Identified key barriers to successful commissioning in existing buildings in MA including the high cost of the engineering studies, customer reluctance to invest and short measure lives. Finding program approaches that overcome these barriers is a focus of the work.
- Reviewed and provided feedback on LED market effects baseline surveys. Identified issue related to the limits of the LED technology that these surveys covered, because technology and applications are evolving so quickly, surveys may be a bit dated.



- Prepared memo of recommendations for statewide database, outlining key benefits that the database can provide to state and the components of database that would be required to receive those benefits. Sent to Council and Database Working Group.

Upcoming Activities

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 monitor PA achievement towards goals and spending; continuing to work with PAs on planning and strategy to address any goal shortfalls.
- Providing input to the statewide database consultant with a focus on how the data can be used to identify individual PA best practices and raise the bar for statewide performance.
- Working on Retro-commissioning Best Practice Research. Once complete, we will work with PAs to develop and implement resulting recommendations and enhancements to programs. This work is expected to be complete in Q4 2013.
- Developing workplan for Healthcare Best Practice Research. Once workplan is complete, research will begin. Once research is complete, we will work with PAs to develop and implement resulting recommendations and enhancements to programs. This work is expected to be complete in Q1 2014
- Continuing to work with PAs, stakeholders, Council, and others to develop an integrated solution for customer-owned and utility-owned street lights.
- 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.

Residential and Low Income Advisory Group

Highlights from the Past Month

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.

- Engaged the PAs on high-level Residential Sector issues at the Residential Management Committee (RMC) meetings, the quarterly meeting with the PA leads, and through individual communications with RMC members. Monitored PA progress on new initiative enhancements and action plans, including review of working group agendas and minutes and PA's Q3 report.

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- Continued to gather information to assist PAs in addressing HES contractor performance concerns. On November 13 presented RMC with information about 1) NYSERDA's quality control procedures for its Home Performance with ENERGY STAR Program and 2) using data to support assessments of contractor performance. PAs indicated they will use the consultants' information for work, NU and National Grid are taking the lead on crafting contractor performance criteria.
- Supported database development by 1) meeting with facilitation consultants to share team's expert perspective and experience regarding residential data needs and use, 2) participating in preparation of Consultant memorandum, and 3) participating in November 27 database working group meeting to represent consulting team's perspective to other stakeholders.
- Provided EM&V Group with input on development of proposed residential evaluation plans for multifamily retrofit, low income multifamily, Home Energy Services, HEHE, and lighting to support research that will provide actionable information to enhance implementation. Maintained ongoing dialogue with EM&V Group to coordinate activities.
- Continued to provide support on the review of the PAs' 2011 and 2012 annual reports, including residential and low income metric documentation and Councilor inquiries.
- Scoped supplemental best practices research for multifamily retrofit initiative.
- Refined areas of inquiry for HES initiative to support Council members' interest and planned evaluation work and to identify potential enhancements for future discussion with RMC.
- Began periodic strategic planning discussions with National Grid staff, starting with their emerging technologies and behavior efforts, to gain deeper understanding of how they are positioning themselves for achieving future savings and identify opportunities for expanding approaches statewide.
- Communicated and coordinated with DOER staff regarding residential sector issues with a particular focus on contemplated revisions to Residential Conservation Services guidelines and their potential impact on PAs' work to achieve the goals of the Three-Year Plan.
- Supported residential products program by continuing to monitor YTD lighting activity relative to goals, participating in NEEP webinar on initial results from regional (MA and VT) market lift pilots, monitoring continued progress of regional lighting hours of use study, calculating revised gross TV savings estimates using ENERGY STAR's updated consumer electronics calculator, reviewing draft final ENERGY STAR boiler specification, and monitoring proposed changes to federal domestic hot water heating standards.

Upcoming Activities

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. Activities we anticipate in December include:

- Continuing program planning discussions with the PAs at the Residential Management Committee (RMC), including on monitoring progress on the key Three Year Plan implementation tasks.



- Determining an approach for 2014 performance metrics and negotiate with the PAs
- Providing follow up information on contractor performance and multifamily retrofit best practices to RMC
- Gathering information to respond to Councilor Johnson's HES inquiries
- Continuing work to assess available sources of residential data, including PARIS
- Continuing to support database development
- Providing additional input on stage 3 residential evaluation plans

Evaluation, Measurement & Verification Advisory Group

Highlights from the Past Month

The EM&V team continued its active involvement in a wide range of EM&V planning, implementation, reporting, and policy functions.

- Advanced toward completion a large number of studies currently in the implementation stage. These represent a combination of many new studies begun within the past few months and a handful of remaining studies begun in late 2012 that are expected to be completed over the next few months.
- Moved 15-20 new studies identified in the Evaluation Plan through the three planning stages and toward the starting gate for implementation. Most of these studies are either just about to launch or have recently done so. Received comments on the 2013-2014 Evaluation Plan from a number of stakeholders and incorporated as appropriate into the Work Plans for specific projects. Added one new study that was not included in the Evaluation Plan: a market assessment focused on understanding the effects of the legislatively mandated phaseout of T12 lamps on C&I baseline assumptions. Attended the kickoff meeting for the new round of cross-cutting studies to be performed by the Tetrattech team.
- Received, reviewed and processed draft final reports on three studies: the Mid-Sized Customer Study, C&I Upstream Lighting Impact Evaluation, and the Residential New Construction Net-to-Gross Study. Finalized two draft reports received in October, the CHP Impact Evaluation and the Serrafix CMI process evaluation.
- Worked with the EMC to develop EM&V-focused input into discussions regarding the new schedule for annual reports. Worked with other Consultant Advisory Groups to help develop recommended specifications for the statewide database. Provided input on several ongoing EM&V Forum projects, as well as development of the Forum's 2014 research agenda.



Upcoming Activities

In December we expect key areas of focus to include:

- Overseeing early implementation of the large numbers of new studies that have either recently launched or are just about to do so.
- Continuing to incorporate stakeholder input received on the 2013-2014 Evaluation Plan into specific studies being launched.
- Finalizing the draft final reports received in November.
- Reviewing and scoring proposals received in response to the cross-cutting EM&V contractor RFP (proposals due December 4).
- Attending to EM&V aspects of ongoing policy issues such as the annual reporting schedule and the statewide database.