

Memo

To: **EEAC**
From: **Eric Belliveau and the EEAC Consultant Team**
Date: **November 13, 2015**
Subject: **October 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 the final draft of the 2016-2018 Strategic Evaluation Plan
- Advancing ~ 40 new studies laid out in the SEP to the implementation stage
- Advancing toward completion ~15 currently in the implementation stage
- Providing input into a number of broader policy-related processes
- Reviewing proposals submitted in response to the Residential EM&V contractor RFP

PLANNING & ANALYSIS

- Preparing for, attending, and providing technical support for the EEAC and ExCom meetings
- Assisting with the development and Council review of the final version of the 2016-2018 Three-Year Plan
- Supporting the development, review, and revision of the Council's resolution on the 2016-2018 Plan
- Coordinating with the EM&V Group and the PAs on the review of EM&V study results and the application of the results for the 2016-2018 Plan, including for the TRM and other planning inputs

RESIDENTIAL AND LOW INCOME

- Reviewing and commenting on the residential and low income content in the final draft of the 2016-2018 Three-Year Plan, including the revised program descriptions, TRM, NTG tables, and Council resolution
- Providing input on the draft Strategic Evaluation Plan
- Coordinating with the EM&V Group to developed a stronger understanding of the findings of the Residential Customer Profile Study

COMMERCIAL AND INDUSTRIAL

- Reviewing and commenting on the C&I content in the final draft of the 2016-2018 Three-Year Plan, including the revised program descriptions, TRM, NTG tables, and Council resolution
- Researching content for and writing a memo on improving energy productivity
- Researching content for and writing a memo on innovation
- Researching content for and writing a memo on segmentation, with a focus on mid-sized customers

TECHNICAL SERVICES

- Continuing regular administrative functions, including EEAC meeting minutes and website maintenance and document uploads
- Finalizing case studies for the 2014 Annual Report to the Legislature

EVALUATION, MEASUREMENT & VERIFICATION

Oversee EM&V Planning

Working with the PAs, the Group completed the final draft of the 2016-2018 Strategic Evaluation Plan (SEP), which was included in the final Three-Year Plan filing. With the completion of this milestone, EM&V planning efforts have now turned to advancing the roughly 40 new studies laid out in the SEP to the implementation stage. This process is expected to occur in two waves. The first wave, focusing on those studies viewed as most urgent, began before the final SEP was submitted, and will continue for the remainder of 2015. The second wave is expected to begin in January 2016. We emphasize that the specific studies laid out in the SEP are not intended to be an exhaustive list of all of the EM&V studies to be performed in 2016-2018, or even in 2016. The SEP is intended to be a strategic document, and thus focuses primarily on the overall strategic direction of EM&V efforts for the 2016-2018 program cycle. Additional studies will be planned and fielded as needed throughout the 2016-2018 period.

Oversee EM&V Study Implementation

The Group advanced toward completion roughly 15 studies currently in the implementation stage. A few examples include the following studies: C&I On-Site and Market Share; Minisplit Field Monitoring; 2014 C&I Customer Profile study; and Residential Single-Family New Construction Baseline and Code Compliance study.

Oversee EM&V Reporting

Working with the PAs, the Group finalized the remaining reports that were scheduled for inclusion in the Three-Year Plan filing. The Group also updated the EM&V section of the Council website to reflect this most recent wave of completed studies.

EM&V Policy Issues

The Group provided EM&V input into a number of broader policy-related processes, including PA-specific potential studies, review of the semi-final and final drafts of the Three-Year Plan filing, and the savings accounting framework for codes and standards support efforts in 2016-2018. The Group also completed work with the PAs on the version of the TRM that was included in the final Three-Year Plan filing. We note that, because portions of the revised TRM were not received until days before the deadline for the filing, we were not able to comprehensively vet the changes before the filing. We therefore focused our efforts on those changes that we viewed as most important. Lastly, the Group continued to work with the EM&V Forum on a pilot effort aimed at eventual regional standardization of summary impact reporting for regulatory agencies.

Miscellaneous Activities

In October, the Group continued to work with the PAs to resolve some longstanding issues regarding the way EM&V studies are used to vet and refine ex-ante baseline assumptions for C&I measures. The Group believes there is potential for the current approach to this issue to lead to significant overstatement of ex-post savings claims for certain categories of C&I measures, and that some improvements to the EM&V process are therefore needed. The effort to resolve this issue is ongoing, and we anticipate providing further updates in upcoming monthly reports.

Finally, the Group and the PAs began to review proposals submitted in response to the Residential EM&V contractor RFP. The RFP is being used to select one or more contractor teams to perform residential EM&V studies for the next three years. We anticipate that the contractor selection process will be completed in November or December, although the contracting process is expected to take several months after that.

PLANNING AND ANALYSIS

In October 2015, the Planning and Analysis (P&A) Advisory Group focused on the primary tasks described below to assist with the development and Council review of the final version of the 2016-2018 Three-Year Plan. The Group's primary tasks were the continued review of the PAs' Draft Plan and revisions to it, review of the revisions to the term sheets including the proposed savings trajectories, continued analysis of savings goals and costs for

the final version of the Plan, and technical assistance to councilors to support review of other sections of the final Plan.

Participate in EEAC Meetings; Brief and Support the Council

The P&A Advisory Group prepared for, attended, and provided technical support during the meetings of the EEAC and ExCom during the month. This was a higher-than-normal level of support due to the three EEAC meetings during October. 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 of these activities are summarized in the task descriptions below. EEAC Meeting and Council support is on-going and is a regular monthly task area.

Provide Technical Analysis

The P&A Advisory Group coordinated with the EM&V Group and the PAs on the review of EM&V study results and the application of the results for the 2016-2018 Plan. This work included consideration and review of the application of EM&V results for the TRM and other planning inputs and assumptions for the Plan. The P&A Group also reviewed the geo-targeting study.

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

In October, the P&A Advisory Group assisted with the development and Council review of the final version of the 2016-2018 Three-Year Plan. A primary task and focus of our efforts was to work closely with the PAs to ensure that they complete a Plan that the Council would ultimately support.

The Group continued to review the PAs' April 30 Draft Plan and revisions to it, with a focus on savings, costs, and Council priorities for programs and initiatives. The Group reviewed the revisions to the term sheets including the proposed savings trajectories, with an emphasis on scenarios to ensure upwards savings trajectories year over year. The Group continued analysis of savings goals and costs for the final version of the Plan. This included assessing potential scenarios, analyzing each PA's contribution of savings and costs to the Statewide Plan, and analyzing costs to achieve savings statewide and across PAs. The Group also provided technical assistance to councilors to support review of other sections of the final Plan such as program descriptions, treatment of Council priorities and recommendations from the stakeholder processes, and other important issues such as the GHG/GWSA section of the Plan.

The P&A Advisory Group also supported the development, review, and revision of the Council's resolution on the 2016-2018 Plan, which ultimately was approved by the Council on October 26th.

RESIDENTIAL AND LOW INCOME SECTORS

In October, the Residential Advisory Group's primary focus was on 2016-2018 planning activities. This work and the Group's other October efforts are described more fully below.

Input and Recommendations for the 2016-2018 Plan

In October, the Group conducted a variety of tasks to support the Council's consideration of the final 2016-2018 Three-Year Plan. These included reviewing the final program descriptions; reviewing and commenting on the Council's draft resolution regarding the plan and stakeholders comments; and spending a significant amount of time reviewing, analyzing, and commenting on the draft 2015 TRM. To support this work the Group held discussions with DOER staff, the Residential Management Committee (RMC), individual PA representatives, and Council members. The Group also reviewed the draft 2016-2018 Strategic Evaluation Plan and provided suggested revisions and comments on it to the EM&V Group, including recommendations for additional research to be undertaken in 2016-2018.

Home Energy Services

The Group conducted a preliminary assessment of potential HES-related research to be undertaken through year's end and into 2016. As this work is refined, we will discuss it further as appropriate with DOER, the RMC,

and Council.

Multi-Family Retrofit

The Group reviewed the revised program descriptions in the final draft of the 2016-2018 Three-Year Plan. It also reviewed and suggested revisions the multi-family related content of the Council resolution to provide more clarity regarding the application of pay-for-performance approaches.

Residential Products

The Group continued to contribute to the LED Incremental Cost Study and Lighting Market Adoption Model. It also conducted discussions with the PAs on proposed revisions to ENERGY STAR lamp specification and reviewed year-to-date activity data for the Lighting and Appliance Initiatives.

Innovation

The Group further discussed the Residential Customer Profile Study with the EM&V Group, including next steps for providing an overview to the Council and other interested stakeholders. We also anticipate further discussion with the PAs. The Group also reviewed and commented on a draft evaluation plan for studying the expansion of control groups for Home Energy Report-based behavioral programs.

COMMERCIAL AND INDUSTRIAL

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

This task accounted for most of the C&I focus in October. The Group spent time reviewing the plan and plan data, costs, and the Council resolution. Activities also included calls with the Consultant Team, council members, and DOER, and CIMC meetings.

Approaches for Increasing Energy Productivity

The C&I Advisory Group continued research on behavior programs, controls, and retro-commissioning, and continued writing a forthcoming memo on this topic.

Incorporate Feedback from EM&V into the Programs

The Group reviewed the compressed air evaluation and assessed how it related to the 2015 TRM.

Innovation

The Group continued work on a memo for the council that will review current training practices in Massachusetts, geo-targeting for reducing demand, and upstream best practices.

Comprehensive Segment Strategies

The Group researched pending EISA standards for linear fluorescents to better understand future impacts from baseline changes. The Group also researched past Energy Management Information Systems (EMIS) incentives from National Grid, followed up on information from Ontario that might lead to more small CHP, and investigated past segmentation strategies and presentations. The C&I Group also participated in CIMC meetings and calls.

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 October 16, 21, and 26 EEAC meetings and forwarded them to the EEAC Chair. The EEAC approved September 30 meeting minutes at their October 21 meeting. These minutes along with all documents and presentations distributed at the October meetings have been posted on the EEAC website/.

EEAC Website Upgrades, Revisions & Maintenance

Consultant Team staff continue to manage the updated website on a day-to-day basis. In October, this included posting materials for the October 16, 21, and 26 EEAC meetings and other meetings that occurred during the month.

For the month of October 2015 there were:

- 2,026 sessions
- 914 unique users: 31.6% new visitors and 68.4% returning visitors
- 5,793 page views with an average of 2.9 page views per session

Produce the Annual Report to the DPU and Legislature

In October, a draft of the 2014 Annual Report continued through the revision and approval process. The Consultant Team worked with the PAs to finalize case studies for the report. The Consultant Team expects to finalize the report in late November.