

# Memo

To: **EEAC**  
From: **Eric Belliveau and the EEAC Consultant Team**  
Date: **October 15, 2015**  
Subject: **September 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

- Advancing toward completion ~25 currently in the implementation stage
- Processing ~ten reports at either the draft or final stages
- Updating the EM&V section of the Council website, posting ~20 reports finalized in recent months
- Providing EM&V input on processes and deliverables including PA-specific savings potential studies, review of the September three-year plan filing, and the savings accounting framework for codes and standards support efforts in 2016-2018.
- Renewing effort to resolve longstanding issues regarding the way EM&V studies are used to vet and refine ex-ante baseline assumptions for C&I measures

### PLANNING & ANALYSIS

- Preparing for, attending, and providing technical support for the EEAC and ExCom meetings
- Assisting with the development and Council review of draft components of the 2016-2018 Three-Year Plan
- Continuing analysis of the PAs' April 30 Draft Plan and potential revisions to the Draft Plan, including reviewing the PAs' responses in late September to the July 21<sup>st</sup> EEAC Resolution
- Supporting the early development of and councilor input to priority positions for the draft Council resolution on the 2016-2018 Plan, which is to be completed in October
- 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 TRM and planning inputs for the 2016-2018 Plan

### RESIDENTIAL AND LOW INCOME

- Reviewing and analyzing the residential and low income content of the revised 2016-2018 draft plan, including the Council recommendations matrix, program recommendations, BCR models, and term sheets
- Reviewing and providing appropriate input on lighting, multi-family retrofit (LI and market rate), and residential customer profile evaluation studies in coordination with the EM&V Advisory Group

### COMMERCIAL AND INDUSTRIAL

- Reviewing and analyzing the C&I content of the revised 2016-2018 draft plan, including the Council recommendations matrix, program recommendations, BCR models, and term sheets
- Reviewing and commenting on the National Grid Potential Study
- Researching content for and writing a memo on improving energy productivity
- Researching content for and writing a memo on innovation

### TECHNICAL SERVICES

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

## EVALUATION, MEASUREMENT & VERIFICATION

### Oversee EM&V Planning

Working with the PAs, the EM&V Advisory Group completed the semi-final draft of the 2016-2018 Strategic Evaluation Plan (SEP), and included it in the September draft of the Three-Year Plan filing. The SEP is expected to continue to evolve incrementally until the final version is included in the final draft of the Three-Year Plan to be submitted in late October. The primary changes at this point are likely to focus on refinements to the write-ups for individual high-priority studies.

In the final days before the submission of the September draft of the SEP, the group began working with the PAs on plans for a new study to help support enhancements to the estimation of emissions reductions associated with energy efficiency in the Commonwealth. While the Group is generally in consensus with the PAs on this issue, some non-consensus text slipped into the September Three-Year Plan filing, apparently due to an editing error. Additionally, after the submission of the SEP, substantive input on the project scope was received from the DEP. We anticipate that the language on this study will be updated in the final version of the SEP.

### Oversee EM&V Study Implementation

The Group advanced toward completion roughly 25 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

September proved to be another active month for final EM&V reports. Working with the PAs, the Group processed about ten reports at either the draft or final stages. In addition, the Group updated the EM&V section of the Council website, posting approximately 20 reports finalized in recent months.

### EM&V Policy Issues

The Group provided EM&V input into a number of broader policy-related processes, including PA-specific savings potential studies, review of the September Three-Year Plan filing, and the savings accounting framework for codes and standards support efforts in 2016-2018. The Group also neared completion of the process to refine the savings parameter assumptions to be incorporated into the Three-Year Plan based on recent impact evaluation results. 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 September, the Group stepped up its efforts 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.

## PLANNING AND ANALYSIS

In September 2015, 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 and Council review of draft components and sections 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 PA responses to the Council Resolution and councilor comments, review of the revisions to the term sheets including the proposed savings trajectories, continued analysis of savings goals and costs to be included in the Plan, and technical assistance to councilors to support review of other sections of the draft 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. 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.

## **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.

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

In September, the P&A Advisory Group assisted with the development and Council review of the draft components and sections 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 the PAs completed draft components for the Plan, such as savings goals, budgets, program descriptions, evaluation strategic plans, and responses to EEAC recommendations, which the Council would review and ultimately support in the final Plan in October.

The P&A Group continued to review the PAs' April 30 Draft Plan and revisions to it since July, with a focus on savings, costs, and Council priorities for programs and initiatives. The P&A Group also provided technical assistance to councilors to support the 2016-2018 Plan term sheet discussions and review of revisions to the term sheets. One major effort was to review the PA responses to the July 21<sup>st</sup> Council Resolution on the Draft Plan; the PAs sent their responses in late September. As part of the review and technical assistance, and collaborating with the PAs, the Group continued 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. The Group continued analysis of savings goals and costs heading towards the final version of the Plan, including assessing potential upwards savings scenarios and analysis of the key inputs and determinants of savings and costs. The Group also provided technical assistance to councilors to support review of other sections of the final Plan, including the program descriptions, treatment of Council priorities and recommendations from the stakeholder processes, and other important issues and sections of the Plan.

The Group coordinated and compared notes with the PAs on cross-cutting Plan topics, including demand savings, demand response, and performance incentives for the 2016-2018 Plan.

The P&A Advisory Group also supported the early development of and councilor input to priority positions for the draft Council resolution on the 2016-2018 Plan, which is to be completed in October.

## **RESIDENTIAL AND LOW INCOME SECTORS**

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

## **Input and Recommendations for the 2016-2018 Plan**

In September the Group devoted the bulk of its time to reviewing and analyzing the residential and low income content of the revised draft of the 2016-2018 Plan. This work included reviewing and analyzing the following materials: revised draft of the matrix of Council recommendations resulting from the workshop process earlier in the year, revised program descriptions, revised BCR models, and draft term sheets. To support this work the Group held discussions with DOER staff, the Residential Management Committee (RMC) and several Councilors. The Group prepared and presented the residential content of its assessment from the review process for the Consultant Team's September 30 presentation to the Council.

## **Home Energy Services**

The Group initiated and participated in a discussion on September 9 with the RMC and DOER staff to determine

next steps in addressing a revised interpretation of the building code regarding attic insulation that has significant implications on PA budgets with little savings benefits. The meeting resulted in further outreach from the PAs to the Board of Building Regulations and Standards.

### **Multi-Family Retrofit**

The Group separately discussed impact evaluations for low income multi-family retrofit (complete) and multi-family retrofit (not yet complete) with the RMC (including Jerry Oppenheim from LEAN) and with the Consultant Team's EM&V Advisory Group. The realization rates appear to be very different for the two programs, with the realization rate for the market rate program potentially being low enough to challenge the initiative's cost effectiveness. The Group plans to review the final report and further discussion with the RMC will likely be warranted.

### **Residential Products**

The Group continued to contribute to the LED Incremental Cost Study and lighting Market Adoption Model. It also discussed with EPA representatives the ENERGY STAR Retail Products Platform, which is an alternative program retail products program design being piloted by several program administrators around the country.

### **Innovation**

The first Residential Customer Profile Study, which provides a summary of energy efficiency program participation, gross savings, and incentive spending for the Residential and Low-Income sectors for 2013, was recently finalized and the Group conducted a preliminary review. In October the Group intends to conduct a more thorough review and analysis. It likely will discuss appropriate findings further with the EM&V Advisory Group, RMC, DOER and Council.

## **COMMERCIAL AND INDUSTRIAL**

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

This task accounted for most of the C&I focus in September. The C&I Advisory Group spent significant time reviewing and commenting on the second draft of the 2016-2018 Three Year Plan. The Consultants did extensive analysis of the new BCR models to see how significant driver savings changed as compared to the first draft. The Group also compared the Matrix of PA responses to the Council resolution. The Group prepared and presented at the Council meeting on September 30.

The Group also reviewed the second draft of the National Grid C&I potential study, participated in calls with National Grid, and commented on the study.

### **Approaches for Increasing Energy Productivity**

The C&I Advisory Group continued research on behavioral and Strategic Energy Management/Continuous Energy Improvement programs, worked to better understand the SEMP/MOU process as implemented in Massachusetts, and continued writing a forthcoming memo on this topic.

### **Incorporate Feedback from EM&V into the Programs**

The Group reviewed relevant studies such as the Custom Gas evaluation and the Lighting Net to Gross results.

### **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 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 September 30 EEAC meeting and forwarded them to the EEAC Chair. The EEAC approved August 18 meeting minutes at their September meeting. These minutes along with all documents and presentations distributed at the September 30 meeting have been posted on the EEAC website at <http://ma-eeac.org/september-30-eeac-meeting/>.

### **EEAC Website Upgrades, Revisions & Maintenance**

Consultant Team staff continue to manage the updated website on a day-to-day basis. In September, this included posting materials for the September 30 EEAC meeting and other meetings that occurred during the month.

For the month of September 2015 there were:

- 1,875 sessions
- 939 unique users: 37.6% new visitors and 62.4% returning visitors
- 5,124 page views with an average of 2.7 page views per session

### **Produce the Annual Report to the DPU and Legislature**

In September, a draft of the 2014 Annual Report continued through the revision and approval process.