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May 28, 2015

Judith Judson, Commissioner & EEAC Chair (to distribute to all Councilors)
Massachusetts Department of Energy Resources
100 Cambridge Street, Suite
Boston, Massachusetts 02114

Energy Efficiency Advisory Council Public Comments, May 28, 2015

--- SUBMITTED ELECTRONICALLY VIA maggie.mccarey@state.ma.us

Dear Councilors,

Thank you for the opportunity to offer comments today.

The Massachusetts Sierra Club supports investments in energy efficiency because, as our regions first fuel and least cost resource, energy efficiency is an important way to reduce greenhouse gas emissions, reduce energy costs, and further establish a robust clean technology economy in the region.

Having said that we have a few concerns about the April 30th draft plan.

First, we feel strongly that the apparent 20% reduction of the commercial and industrial budget hurts businesses struggling to make ends meet with high energy costs. Given how often we hear expressed the high energy costs for businesses in our region, we would expect to see increased and targeted investments to address this already identified energy and economic priority in the Commercial and Industrial sectors.

Investments in C&I energy efficiency are the most cost effective, and the benefits are realized quickly by customers installing measures. According to the Consultants' memo from February 15 of this year¹, the averaged Direct Install (lighting upgrades) participant in the C&I sector saves a whopping 17% on their bill. The memo makes clear the majority of savings in the sector are driven by lighting and there is plenty of opportunity for greater participation in the C&I sector if there would be a streamlining of the process and incentives across utilities, better integration of gas and electric, and more targeted marketing and outreach to the sector. There is so much opportunity in this sector, let's take advantage of it and not reduce our commitment to capturing savings there.

¹ <http://ma-eeac.org/wordpress/wp-content/uploads/MA-EEAC-Effective-Practices-in-the-Small-Business-Sector1.pdf>



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Second, we are concerned that the proposed savings goals fall short of what is needed to meet the Massachusetts' clean energy and climate goals, and they fall short of what the Consultants to the EEAC have identified as available and cost-effective. The plan aims low when we need to be aiming high.

Third, the plan calls for about a 20% increase in Administration Costs compared to the last plan, but only about an 8% increase in savings. We at Sierra Club believe that as the years go by we should be getting more 'efficient' at administering the plans, and therefore we think it would be reasonable to see Planning and Administration costs be reduced.

Fourth, although the evaluation plan is a significant undertaking in and of itself (on the order of \$70M over 3 years with 15 or so consultants) we feel the Program Administrators can do a better job in linking the studies' findings to program development. Over the next few months, we would like to see the plan specifically implement the findings of all the evaluation studies, including the ones coming out this year.

Fifth, we think it makes sense to incorporate smarter geo-targeting. Vermont has a long history of attacking system constraints to avoid or defer infrastructure investments, and according to VEIC it has eliminated about \$300M in transmission investments.

Sixth, leveraging local start-ups and private investment is a great opportunity and there are numerous companies in our area using customer data analytics to reduce peak load. Promoting more demand response is essential.

Lastly, using this three-year investment plan to keep making progress toward the Commonwealth's grid modernization and time-varying rates planning just makes sense. Voltage optimization, for example, is another way to address peak-demand issues, and should be considered in this plan.

In closing, on behalf of our sixty thousand members and supporters, the Massachusetts Sierra Club applauds the PAs for all the hard work you have done to get us to this point, we encourage you to be even more ambitious, and we look forward to working with you to spread the word about the Commonwealth's first-in-the-nation energy efficiency programs.

Thank you for your consideration of these comments.

Respectfully yours,

Emily Norton
Massachusetts Director
Sierra Club