



MEETING MINUTES

October 21, 2015

100 Cambridge St., 2nd Floor
Conference Rooms C and D
Boston, MA 02114

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

Councilors Absent: Michael Ferrante, Michael McDonagh, Andrew Newman

Consultants Present: Jeff Schlegel, Craig Johnson

DOER Staff Present: Ian Finlayson, Alex Pollard, Arah Schuur, Steven Venezia

Others Present: Dhruv Bhatnager, Jessica Buno, Nicolas Cavallo, Dave Gibbons, David Gold, Jonathan Goldberg, Jodi Hanover, Richard Juang, Andrea Keeffe, Ani Krishnan, Amit Kulkarni, Chris Long, Lourdes Lopez, Nelson Medeiros, Sam Milts, Cara Mottola, Alex Papali, Laurie Pereira, Brenda Pike, Shannon Sawyer, Lisa Shea, Larry Simpson, Amy Vavak, Sharon Weber, Alissa Whiteman, Jaydon Wilson

1. Call to Order

Schuur called the meeting to order at 1:05 PM

2. General Updates

Schuur began by noting that the location of the October 26, 2015 meeting was being moved and that an official notice would be sent out soon. There was nobody signed up to provide public comment.

September 30, 2015 Energy Efficiency Advisory Council Minutes

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

September 24, 2015 Executive Committee Minutes

Boecke requested that the spelling of his name be corrected.

Glynn motioned to approve the minutes as amended. Malmstrom seconded. All were in favor, with no opposed or abstaining. Manning, McDonagh, and Swing were not present at the time of the vote. The minutes were approved as amended by the Executive Committee.

October 7, 2015 Executive Committee Minutes

Boecke requested that the spelling of his name be corrected.

Malmstrom motioned to approve the minutes as amended. Glynn seconded. All were in favor, with no opposed or abstaining. Manning, McDonagh, and Swing were not present at the time of the vote. The minutes were approved as amended by the Executive Committee.

3. EEAC Budget Letter Vote

Seidman motioned to approve the budget letter and to send it to the DPU. Murphy seconded. All were in favor, with no opposed. Harak abstained. Manning, McDonagh, and Swing were not present at the time of the vote. The motion passed.

4. PA Presentation on Plan Updates

Lyne presented on behalf of the program administrators (PAs). He discussed the PAs' response to the draft language of the resolution with respect to the renter and moderate income initiatives, the public housing funding agencies, the Massachusetts Technology Assessment Committee (MTAC), combined heat and power (CHP), and the commercial and industrial (C&I) programs. In several cases, Lyne noted that the PAs did not have additional comments, which he indicated meant that the PAs were prepared to adopt language in the Plan directly from the resolution. Lyne also discussed the schedule of for the PAs in moving forward with completing their plan, as well as a review of recent milestones.

The Council adjourned for a break from 1:40 to 2:00 PM.

Judson joined the meeting and announce that Massachusetts was ranked Number 1 for Energy Efficiency for a fifth straight year by the American Council for an Energy Efficiency Economy (ACEEE)

5. Resolution Regarding the 2016-2018 Plan

Pollard began by discussing the process that was followed in drafting the resolution regarding the Plan. He noted that the first step was to review resolutions from previous three-year plans in 2009 and 2012 and to use these as a base from which to start. He indicated that the next step was to incorporate the feedback and comments that were submitted by the Councilors. Pollard noted some of the key areas that were addressed in this latest revision of the resolution, which included language to offer more praise for the Plan, to indicate how the goals and budgets were generated, and to call out the issue of consistency on its own.

Council Discussion on the Performance Incentive

Chretien noted that while he found the residential side of the Plan to be strong, he was concerned about the C&I side. He noted that he looked into the numbers that the PAs are proposing and found that the C&I sector goal for 2016 represents a 29% decrease in lifetime MWh savings than what is currently projected for 2015 and a 16% decrease in lifetime MWh savings than what was averaged from 2011-2015. He also noted that the C&I sector goal over the full three years of the plan represents a 6% decrease in lifetime MWh savings from what was averaged during 2011-2015. Chretien stressed that this is a serious issue that Councilors should see and consider before they vote to approve the Plan. Chretien indicated that he wanted to make a motion to include language in the resolution to split the performance incentive between residential and commercial, proportionate to their projected annual savings added up over the three years, and to raise the threshold from 75% to 80%.

Winkler noted that from a process standpoint the motion could not be made at that time because the resolution was not up for vote yet. Judson agreed and suggested that this would be a good time to discuss this topic with the full Council.

Many of the Councilors indicated that they shared Chretien's concern about the C&I sector but that they would not at this time support his motion. Several Councilors, including Boyd, Boecke, Glynn, and Jacobson noted that they thought it was too close to the filing to be considering a significant change like this. Others, including Harak and Johnson added that Chretien's proposal is intriguing and should be investigated over the next three years. A couple of the Councilors, including Harak and Boecke noted that there already exists language in the resolution that commits the PAs to better reporting in the C&I sector. Judson noted that the DPU has a lot of guidelines with respect to the performance incentive and that any recommended changes need to have robust documentation that changes will not have adverse effects.

Lyne indicated that from the PAs perspective, splitting the performance incentive would give them less flexibility and that they would have to recalibrate their goals as a result. He added that it is possible that the overall savings goal could decrease as a result. White also noted that the high portfolio level savings that the PAs are currently achieving can be attributed to their ability to be flexible with a performance incentive that is not split between sectors.

Judson asked for a sense of where the Council stands on this issue. Chretien and Johnson indicated they were in favor of splitting the performance incentive while the rest of the Council indicated that they would not be in favor of that action at this time.

Council Discussion on the Draft Resolution

Most of the Councilors' feedback called out specific language in the [October 19 draft of the resolution](#). In these cases, the line number from the draft that Councilors called attention to is indicated in **bold** below.

Johnson noted that he thought the resolution would benefit from having more detail about the importance of demand reduction. He noted some suggestive language that would highlight that the Council recognizes the importance of growing demand reduction goals. Judson agreed that having more about demand reduction would be important and that they would find a way to incorporate some of Johnson's suggested language. Boecke and Winkler both noted that the Plan already includes discussion of demand reduction and that they were not sure that the resolution was the appropriate place for this discussion.

(90) Boyd indicated that she would be okay with removing the word "consistency" if others were inclined to do so. Seidman suggested that both "consistency" and "equivalency" remain in the language as they have different meanings. Seidman also suggested that she would not be in favor of the PAs proposal to include the word "appropriate" with respect to achieving goals.

(105) Harak indicated that he was fine with the language, but that he wanted to note that competitive procurement does not always work best with professional services in that the highest quality product is not always the lowest cost.

(126, 130) Johnson suggested that the use of the word "periodic" was too vague and suggested that it be replaced with "semi-annual."

(132) Glynn noted that the language on line 132 about "public housing funding agencies" could be misleading and suggested that it be replaced with "Commonwealth's housing and financing agencies." Murphy supported this edit.

(144) Harak noted that he would like to know what types of information the C&I updates would contain and what the topics would be.

(165) Seidman noted that she was not in favor of using the word "appropriate."

Schurr reviewed next steps. She first noted that DOER would be incorporating the Council's comments into a final draft of the resolution, with a goal to have that posted to the EEAC website by close of business on Friday October 23 at the latest. She then noted that the Council would re-convene on Monday October 26 to finalize and vote on the resolution.

6. Adjournment

Judson adjourned the meeting at 3:25 PM.