

## MEMORANDUM

To: Energy Efficiency Advisory Council

From: Paul Horowitz

Date: July 9, 2010

Subject: June Team Monthly Report – Activities Undertaken, Six-Week Look Forward,  
Assessment

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Councilors – Enclosed below are reports from the consultant team groups (Planning & Analysis, Residential and Low Income, C&I, EM&V) on activities undertaken during June and a look forward to the following six weeks. An assessment of the state of activities based on the experiences of the month and the upcoming tasks is also included. Also included is a brief summary of project management activities.

## Monthly Consultant Report on Activities – June 2010

### Planning and Analysis Team

#### I. Activities during June 2010

##### Planning and Analysis

- Reviewed NGrid's proposed 2010 mid-year modifications, and compared to quarterly report data.
- Reviewed DPU bill impact analysis revisions, discussed additional analysis indicated in the DPU decision, and reviewed revised draft model.
- Followed up on issues and enhancements for the Mass Save Home Energy program, including opportunities for contractor participation in residential programs.
- Developed initial draft of schedule for 2011 Midterm Modifications process.
- Updated EEAC calendar and schedule, and assisted in developing the EEAC meeting agenda.

##### Financing

- Participated in rental financing discussions including in the rental task force.
- Worked with DOER to make progress on key unresolved financing issues, for both customer repayment and outside capital, including consideration of other options for financing and outside capital since the DOE Retrofit Ramp Up funding was not awarded to MA, and consideration of options for small business and C&I financing.

##### Reporting

- Reviewed reporting issues and DPU orders/guidelines for DPU 08-50 Annual Report working group meeting; participated in June 7 meeting. Followed up on PA proposal for 20% variance to be applied at sector rather than program level (still unresolved).
- Considered options for review of 2009 Annual Reports; discussed with DOER.

##### TRM (Technical Reference Manual)

- The target for June was to have the PAs substantially complete the process of developing and submitting drafts of all the various components of the TRM. The High Level group met at the beginning of June and resolved most of the overarching issues at that point, and finalized a consensus on all major issues by month's end. The Measure Level Detail Working groups finalized most of the prescriptive measure details, leaving a few measures to be completed in early July.

#### II. Anticipated activities over next six weeks

- Develop schedule and perform initial planning tasks/coordination with PAs for Midterm Modifications for 2011 and 2012 (i.e., budgets, savings, benefits, performance incentives, metrics, program modifications, etc.). See proposed schedule.
- Review and consider improvements for bill and rate impact analysis, considering the issues raised in the DPU decisions, and continue work with the 08-50 working group.
- Resolve outstanding/unresolved financing and repayment issues (e.g., financing for rental properties/landlords), participate in rental financing task force, and report back to EEAC.
- Coordinate with DOER (Tom/others) and PAs on development of sources and approaches to attain outside capital for financing, as well as other program funding. Assist in developing

options or alternatives, including revised Heat Loan, as an interim/hybrid approach. Work on C&I financing with the PAs in parallel.

- Follow up on marketing and messaging concerns related to encouraging deeper savings, and on fully integrated financing in the programs for 2010.
- Participate in 08-50 working group on Annual Reports and 2011 Midterm Modifications, as scheduled by DPU.
- Review any PA-proposed mid-year modifications for 2010.
- Prepare for EEAC meetings in July and August (including document preparation).
- Review gas costs and inconsistencies, resolve as necessary.
- TRM: In July, the process of collecting the final pieces for inclusion in the TRM final draft will continue. As these pieces fall into place, the consultant team, with continued support from the Core Working Group, will assemble and submit the document by August 2 for stakeholder and PA final review, edits and sign-off. It is expected that this process of finalizing the working draft will be the responsibility of the PAs and that it will be completed in sufficient time to include with the 2011 Midterm Modifications filing in October. It is anticipated that some minimal input will be required of the Core Working Group in August to facilitate the completion of version 1.0 of the TRM.

### **III. Overall assessment of project**

We are half way through 2010 and the consultants recommend that the Council use the quarterly reports, to be reviewed during the July and August EEAC meetings (in two parts), to assess progress to date compared to the goals, objectives, and priorities for the year.

Progress is being made in many areas, including:

- Six months of program activity in 2010 (see the PA quarterly reports and the program consultant reports herein for information on programs, including customer participation, spending, performance compared to goals, and program revisions/enhancements)
- Revised bill and rate impact analysis is substantially underway
- Customer uptake of HEAT Loan and small business financing is fairly strong
- Development of TRM (Technical Reference Manual) is on track for inclusion with the 2011 Midterm Modifications filing in October

However, progress is slower than it should be and needs to be if MA expects to achieve the 2011 and 2012 goals and benefits, which continue to ramp up ambitiously and rely on strategic groundwork and implementation during 2010 (i.e., deeper first, then broader). The EE programs are behind on many of the key foundational building blocks necessary to achieve 2% savings in 2011 and 2.4% savings in 2012. See prior monthly reports for additional details.

PA planning and analysis staff are very busy and still split many ways across many tasks – planning and analysis, 08-50 working group processes (bill impacts, reporting), 2009 annual reports, 2010 mid-year modifications, assisting with the launch/development of new and revised programs and pilots, implementation support, other funding, financing, and EM&V (plus support for the DPU proceedings).

Now the planning process for 2011 Midterm Modifications is upon us. This will take place in July through October 2010 (see the EEAC consultant-recommended schedule), and will require significant effort due to the number of modifications and their interactions in the various planning documents (e.g., budgets, revenues, savings, benefits, net benefits/cost-effectiveness,

performance incentives, performance incentive metrics, other funding, financing, program modifications, etc.).

One key challenge seems to be for the PAs to find adequate time to look ahead and work on the key building blocks for the mid-term and the future, while faced with immediate fires to fight and near-term assignments.

Regarding financing, the key questions are: what financing is available or will be available soon to assist customers in the 2010 programs, vs. what financing are we working on for the longer term, for 2011 and beyond (the statewide loan fund being developed will not be operational until 2011 at the earliest)? For example, for the revised Mass Save program, which launched in early April, the only EE program financing that is available to customers now is the HEAT Loan program. While the HEAT Loan program element has some positive features (e.g., low cost of capital), it is not very convenient for customers and it does not appear to be fully integrated with the MassSAVE program, at least not yet. This raises questions regarding priorities and resource allocation, e.g., should the PAs focus on working with the HEAT Loan lenders to improve that financing offering (to make it more convenient for customers), should the PAs focus with DOER more on the longer term and the statewide loan fund provisions, or do they have to do both concurrently (including a potential hybrid approach in the interim)?

Issues regarding financing and repayment for residential renters/landlords need additional attention and a committed focus. Work is underway in the rental financing task force, DOER is conducting analysis, and the task force will meet soon to make additional progress.

The PAs also need to make progress on innovative C&I financing in parallel, as the PAs highlighted in their presentation to the Council in March. Innovative C&I financing is equally important, and in some ways it is both easier and more complex (lots of options, lots of different markets/segments and customer needs, etc.). The PAs are retaining an expert financing/funding consultant to assist with statewide efforts (selection of contractor is pending).

Regarding marketing, the launch of the new website was a major step forward, and the PA presentation to the Council was very informative. Marketing and outreach focused on achieving deeper savings (in order to lay the groundwork for achieving the much higher goals and benefits in 2011 and 2012), based on what we have seen and heard so far, may not be proceeding as well. Some of the marketing- and education-related tasks in Mass Save, for example, have been lagging (e.g., leave-behind information, interactive piece, integration of financing and handout on lenders in the area, sales training for contractors). Much of the planning/redesign effort in Mass Save Home Energy has been focused on the residential contractor issues; progress on other priorities is also needed (to be addressed in steering committee process).

## **Residential & Low-Income Team**

### **I. Activities during June 2010**

The principal focus of the residential consulting team in June has been on working with the PAs to implement planned 2010 program activities. Efforts have been made in each of the major program areas, particularly concentrated on the two programs highlighted in the 'Council Priorities and Key Actions for 2010' document, MassSAVE/Weatherization and Residential Lighting and Appliances (Products).

#### MassSAVE/Weatherization

The Residential Management Committee (RMC) met bi-weekly in June to address on-going MassSAVE/Weatherization program implementation issues.

A primary focus has been on finishing the MassSAVE Technical & Process Manual that will serve as the principal reference document for the program. Both the technical and process portions of the manual have been finalized, and the manual is now complete. The technical standards have been distributed to participating contractors and will go into effect on July 1, 2010. Another major focus has been on improving the energy assessment report template so it can serve most effectively as an educational and marketing tool to motivate customers to pursue deeper energy saving measures. The PAs are exploring customer focus groups to fine-tune the report. The PAs have made additional progress in the following areas in June:

- PAs completed the exemplary portion of the 'Comprehensive Education Package' metric and have ordered 5,000 copies of the DVD for use in customer education and marketing.
- Modified website and call center language to make clear that customers have a choice about who performs weatherization work in their home.
- Continued discussions on the potential implications for the MassSAVE program of the pending Federal HomeStar legislation.
- Continued work on program design to serve landlords and tenants more effectively through the program. A revised draft Landlord/Tenant action plan was reviewed and discussed, and highlights presented to the Council at the June meeting. An off-line meeting was convened with members of the Massachusetts Rental Housing Association to gather their input on the action plan recommendations.
- Coordinate with MassGREEN on transition from boot camp training.

Other important issues still need to be addressed, including:

- More fully integrating into the program energy assessment providers, home performance contractors, and installation contractors. To be discussed in the Steering Committee.
- Completion of 2009 metric 'Existing Home Ratings' which requires PAs to develop an implementation plan and incorporate an agreed upon rating system mechanism into the MassSAVE program as a pilot in 2010.

The consultants have been working to move along the process of convening the Res Steering Committee, which will be charged with making specific high-level structural program design decisions. The first meeting of the Steering Committee is expected prior to the July Council meeting.

### Residential Lighting and Appliances (Products)

The PAs reviewed the draft results of the conjoint analysis conducted by Cadmus. This analysis targeted lighting, with a focus on hard to reach customers, and televisions. The results from this study will help inform the PAs' on-going program planning and marketing efforts for these two key consumer products. In particular, the study will assist the PAs in developing the most effective rebate and incentive approaches for these two products. The PAs also discussed implementing a solid state lighting (SSL) lamp rebate, as the ENERGY STAR specification for this product becomes effective in August. The PAs currently offer a rebate for select SSL fixtures.

Most of the PAs have met or have exceeded their goals for several key residential products, including standard CFLs and refrigerators. They continue to work to develop a viable TV offer, most likely a mid-stream incentive directed to retailers. Several of the PAs attended NEEP's advanced power strip forum in Albany on June 23. The PAs currently have an advanced power strip rebate, but retailer distribution of this product is still limited.

A revised Gax 2.0 program write-up was forwarded to DOER in June. The PAs are awaiting feedback from DOER before moving forward with this initiative. The PAs estimate that approximately \$1M in unspent Gax 1.0 funds will be available for Gax 2.0, in addition to any other RGGI or ratepayer funding that would be earmarked for Gax 2.0.

### Other Key Programs/Pilots:

- Residential New Construction: Projections continue to show program activity exceeding statewide electric-only goals well before the end of the year, so the JMC focus has been on exploring ways to reduce costs. This is being balanced with PAs in some regions who are behind projections and require greater outreach efforts to get back on track. Multifamily buildings continue to comprise the largest number of participating housing units, and also represent a significant cost to the program. The JMC and its contractors have explored and agreed upon a sampling approach to test and certify multifamily units that should achieve comparable standards while reducing rater costs significantly.

The JMC is exploring moving to a market-based delivery model in the fall in which payment to raters would be reduced or phased out and they would need to compete for business with builders, who would become responsible for paying the rater fees, instead of the program contractor. The PAs also continued their planning for a re-bid of the implementation contractor. The JMC continued making progress with planning the next steps on calculating savings from code support activities and coordinating these efforts with C&I in an attempt to float this concept by the EEAC and the DPU. Most JMC members attending the cross-program residential duct sealing summit and came away with an understanding that the current focus and approach on tight ducts in the ENERGY STAR Homes program should continue. The JMC is making good progress in their efforts to transform the residential new construction market in Massachusetts.

- HVAC – Gas & Electric: The gas and electric PAs attended and actively participated in a Duct Sealing Forum on June 10 at Bay State Gas. The Forum, facilitated by the Council's consultants, examined the opportunity for synergies for duct sealing across all of the applicable residential programs offered by the PAs. The PAs and their implementation contractors identified a number of potential technical and logistical

issues that might prevent a broader offering of duct sealing services. The Council's consultants are developing a revised "white paper" to respond to these issues.

- The CoolSmart PAs continue to roll out their new Cool Analyzer Quality Installation diagnostic tool. The PAs are also working to identify new HVAC savings opportunities. At a June CoolSmart meeting the possibility of running an ECM condenser fan pilot was discussed.
- HVAC – Gas. The residential consultants are assisting the Council's EM&V consultants in the review of the draft High Efficiency Heating and Hot Water impact evaluation, with particular attention focused on estimates of program free-ridership. Previously available 2005-2007 trade association shipment data points to fairly high furnace free-ridership. Nearly 70 percent of furnaces shipped to MA were at an efficiency level at or only slightly below current program requirements.
- The heat pump water heater (HPWH) pilot is generally on track to meet installation and timeline targets. Two units are currently installed. Sites have been identified and confirmed for nearly all of the remaining units. Available space has limited equipment choice in several locations, as the dimensions along of the HPWH units have dictated the selection of the make and model. The metering and monitoring contractor and scope have been selected and finalized. Discussions were held regarding potential collaboration with EPRI's national HPWH field study. Though it was decided not to contract with EPRI for field monitoring packages, conversations continue around the potential for other mutually beneficial coordination around data sharing and analyses.
- Deep Energy Retrofit (DER) pilot: On June 19<sup>th</sup> the PAs initiated a productive discussion forum with national labs (LBNL and NREL) on potential synergies in deep energy retrofit pilot work.
- Independent Contractors: DOER, the PAs, Peregrine Energy, and EEAC consultants worked with independent contractors to address their outstanding concerns relative to the gas weatherization program. Action items from those meetings include revising call center and website language to clarify that customers can choose to use an independent weatherization contractor.

## **II. Anticipated activities over next six weeks**

The focus of our activities over the next six weeks will be continued engagement with the PAs to move as quickly as possible from the more broadly defined program and pilot descriptions in the Three Year Plans to field implementation. Some of the primary themes that will be addressed include the following.

- Lighting: The PAs will make final the results of their lighting and TV conjoint analysis and will develop a plan for their support of ENERGY STAR SSL lamps.
- Products: The PAs will be principally focused on completing the development and beginning the implementation of the second Phase of the Great Appliance Exchange (Gax 2.0). They will also continue efforts to develop a TV offering and to implement their current consumer electronics and pool pump rebate efforts.
- Residential New Construction: The PAs will follow up their late June cross-sector code compliance and savings attribution meeting with a focused in-person meeting in July in an attempt to move towards EEAC and DPU approval of the approach. With this approval, it can be more fully incorporated into the 2011 filing, which will be a focus over the summer. The PAs will continue to prepare the RFP for program

implementation (currently held by ICF) to be issued by early summer, for contractor selection in mid-summer and in place by fall. The Massachusetts HERS raters have been informed of a change towards a more open market for HERS services. The PAs will put this mechanism in place over the summer and launch it in the fall. The PAs will also start to put in place the new multifamily testing and qualification process to better manage program costs. Codes & Standards Metric: PA program managers from the residential and C&I sectors, evaluators and consultants met in late June to discuss next steps in moving forward with implementing the initiative to claim savings for code support activities. This group will turn to their respective companies for internal support and then bring back suggestions on how best to approach and gain approval from the EEAC and DPU for confirmation of this concept. A few of the next steps over the next six weeks include securing internal PA approval, the development of a resolution for the EEAC to consider on allowing PAs to claim savings for code support work, and approaching the DPU with the same. All of this activity would be in preparation for the 2011 filing. The PAs have taken some strong leadership and are making good progress pushing this innovative concept forward. NEEP has picked up on this and will use Massachusetts as a model for other states in the region when they set up a one-day workshop for regional regulators to focus on the issue of savings attribution for code support.

- Gas & Electric Integration: The consultants will continue to work with the PAs, primarily through the GasNetworks forum, on overall program integration efforts and to develop a more detailed draft gas and electric integration plan and timeline.
- O-Power/Grounded Power: With the significant annual energy savings expected from O-Power, the Consultants will continue to monitor program start-up and work with the PAs to monitor and guide program development going forward, including statewide expansion across both electric and gas PAs. As part of the mid-term modification process the consultants will work with those PAs that have not yet committed to a behavioral program to help develop their plans for 2011 and 2012. Currently, only National Grid has a residential behavioral program, though CLC, NSTAR and WMECo have either completed pilot efforts or are in the process of implementing them.
- Residential Steering Committee: The consultants will help to guide the Steering Committee to make the necessary key program design decisions on the Mass Save Home Energy Services program for 2011.
- EM&V Activities: With the extensive array of residential EM&V projects in 2010, the consultants will continue to work to facilitate the successful coordination among the PAs implementation and evaluation groups.
- Reporting Enhancements: In each of the programs and pilots the consultants will continue to work with the PAs on enhancing and optimizing program reporting to help streamline consultant engagement with the working groups and to provide the necessary information and data reporting to the Council.

### **III. Overall assessment of project**

Overall, the PAs are working flat out on continuing to progress toward meeting 2010 program and pilot goals. The PAs commitment to program success is clear. However, there still exist several timely opportunities to improve key elements of existing program design that should be seized. There continues to be good cooperation among the PAs, and with the consultants, in the various program working groups. Some key issues that still need to be addressed/resolved

include: 1) Residential retrofit program key program design modification recommendations from Steering Committee, and incorporation of modifications in upcoming vendor RFP scope of work, 2) Gas and electric integration (plan & timeline) of primary elements of the HVAC programs, 3) Successful integration of the new MassSAVE program collateral pieces (Energy Assessment Report, Comprehensive Education Package) into the program marketing strategy, and 4) Successful mid-term modification discussion and implementation process.

## **C&I Team**

### **I A. Activities during June 2010:**

- Continued to monitor and comment on the PA process that resulted in agreement on common, integrated criteria for evaluating unsolicited proposals from funding from outside entities.

The PAs have finalized a document entitled “Process for Managing Unsolicited Proposals” that will be made available to all outside parties who wish to partner with the PAs in the delivery of approved programs. This includes (a) proposals/inquiries from private companies or individuals, non profits, community groups, associations, local government, etc. that (b) require significant PA commitment of funds or personnel. Unsolicited proposals will be considered quarterly.

- Monitored and commented on PA process that resulted in an agreement on common criteria for PA-specific pilots.

The approved Three Year Plans allow PAs to “propose innovative pilot efforts that are not fully coordinated or integrated with other statewide activities. ... A key goal of such pilots is that they yield data as to whether the approach explored in the pilot should be implemented on a larger, statewide scale.” The recent document developed by PAs, “Criteria for Pilots”, provides transparent guidance and expectations to all PAs with regard to development of such pilot proposals, including provisions for: (1) the collection of consistent data to allow for clear comparisons between differing approaches; (2) input from EM&V early in the process of pilot development; and (3) a clear record of the purpose, scope, and measures of success for pilots well in advance of their execution. The PAs have agreed that while individual PA pilots need not have group approval, there should be an opportunity for other PAs to review and comment on them, grounded against the above-referenced provisions. Not every pilot needs to meet all the criteria, but it is presumed that the great majority of proposals will be able to successfully address most of these criteria. In general, any PA-specific pilot should have majority concurrence from the other PAs when the results are likely to have an impact for common programs. The consultant team, including EM&V team, contributed to this process and worked with the PAs to ensure a solid set of criteria are agreed to that will facilitate effective pilot initiative planning integrating ultimate evaluation purposes in the upfront plan.

- The consultants provided suggestions and input to the municipal program strategy memo developed by the PAs and forwarded to the Green Communities Division of DOER. This memo discusses an approach to address the priorities of the Division within the context and cost-effectiveness parameters of the approved plans. Depending on response from DOER, we anticipate this approach will facilitate better communication and coordination between DOER’s Green Communities Division’s efforts and the PA services to municipalities, and ultimately result in greater municipal savings and participation in programs.
- The consultants developed a schedule and monitored PA progress against two deliverables to DOER: (1) an update of all PA activities with “Round 1” EAP towns and (2) an update of PA outreach to water and wastewater facilities, working off an “opportunity list” provided by DEP and DOER.

- The Consultants worked with the PAs to develop a draft White Paper to establish rules and policy around fuel switching. This included negotiating boundaries around eligible fuel switching measures, cost-effectiveness treatment, and ensuring that all cost-effective efficiency will be pursued by the PAs including cost-effective fuel switching. In addition, agreed on some conceptual fuel switching program design criteria to ensure capture of comprehensive efficiency savings beyond fuel switching for projects also doing fuel switching.
- Similarly, the Consultants worked with the PAs on a variety of fossil fuel avoided cost issues, on consistency on CHP project evaluations and screening and the scope of CHP studies, and on development of a consistent treatment of externalities.

### **IB. Outstanding/Notable Issues:**

- In the spring the consultants had identified an opportunity for the PAs to apply for competitive US Department of Energy funding, and technical assistance through the Pacific Northwest and Lawrence Berkeley National Laboratories, to conduct deep building energy retrofit research projects in selected non-residential buildings. NSTAR and National Grid jointly applied for this funding, in partnership with MIT and the UMass Medical Center, respectively. In June they received notification that their grant application had been successful.
- The consultants arranged for one of their counterparts on the consultant team working with the Connecticut Energy Management Board – Les Tumidaj of Strategic Energy Group of Portland, Oregon – to meet with the C&I Managers to exchange program information and program ideas of mutual interest and benefit between the two states. This also led to a broadened discussion of recent innovative program pilots in the Pacific Northwest, and it is likely to expand further to include agreement with SEG to conduct a survey of the current state of the art with regard to comprehensive building energy solutions delivered through other jurisdictions in North America. The consultants have encouraged the PAs to continue communications with Connecticut programs, as well as with other leading programs on both coasts and to pursue the SEG survey. This is a key step towards moving forward with success on plans for continuous improvement with large C&I customers that will achieve deep savings over time.

### **II. Anticipated activities over next six weeks**

- Continue to monitor PA program coordination and implementation tasks, particularly with regard to treatment of unsolicited proposals and PA-proposed pilots. Engage with the residential team to adopt this approach and pursue a consistent approach across all sectors, finalize any outstanding issues and put into practice.
- Engage with residential and planning teams to ensure common agreement on fuel switching policies and approach, and bring to the EEAC for discussion.
- Continue to assist PAs in developing strategies to pursuing deep retrofits, building off any relevant experience from neighboring jurisdictions or a scan of national best practices.

- Continue to work with the PAs and the EEAC, DOER and other state agencies to better understand and integrate other state and federal-level initiatives (*e.g.*, the Green Communities Division of DOER and the stimulus-funded efforts of DOER and DEP) with the PA programs to offer and deliver consistent services across all Massachusetts energy efficiency efforts. This will avoid confusion and disruption in the market.

### **III. Overall assessment of project**

PA staffs remain singularly focused on goal attainment. However, as many of the structures for joint PA decision-making and program governance have now been developed, negotiated, and put in place, there is more time to turn attention to implementation of the pilot proposals approved in the Three Year Plans, and to consider other mid-term Plan objectives, such as more comprehensive treatments of buildings. The recent engagement of SEG was a very productive step, as is the commitment to look at best practices nationally for deep treatment in buildings.

In general, the process of joint program planning and delivery, monitored and overseen by the bi-monthly meeting of the C&I Managers group has developed a well functioning framework to move forward with longer term strategies for ramping up savings, capturing more deep and comprehensive savings in buildings, and efficient and smoother integration of PA efforts.

## EM&V Team

### I. Activities during June 2010

*Implementation of new EM&V Framework.* In June we completed the holding of kickoff meetings with all of the EM&V contractor teams, and turned our focus primarily to the fielding of planned 2010-2011 EM&V studies.<sup>1</sup> Fielding of these studies is now in full swing in all six Research Areas. There is much EM&V activity now under way, but relatively few policy-level issues to relate to the Council.

Several new studies were added to the 2010-2011 agenda in June, as follows:

*Combined Heat & Power (CHP) Performance Study.* In June we learned that the PAs had initiated a combined EM&V/commissioning project focused on measuring the performance of new CHP systems and correcting any performance problems. Due to a communications glitch, this project had inadvertently been initiated entirely outside of the statewide EM&V framework, with a separate RFP process, a contractor selected, and contracting under way, all without any involvement by the EEAC EM&V consultants. Following discussions, it was agreed that this study would be brought into the statewide framework under the Large C&I Research Area. We requested that the contracting process be paused so that we could assess the project scope, RFP and contractor selection. Upon review, we supported the general project scope and the PAs' selection of a contractor. The project is now proceeding as a 2010-2011 Large C&I study. Issues under discussion include the balance of effort between EM&V and commissioning; the allocation of costs between EM&V and the program budget; coordination of the study with existing commissioning efforts being performed as part of the program; and coordination with the CHP market assessment study that is also proceeding with the Large C&I research area.

*MassSAVE Audit Study.* In June we were notified that the residential working group was interested in conducting a study of customer reaction to various alternative audit report formats, and had a specific set of contractors in mind to perform this work. We proposed that instead of hiring a new set of contractors, this work be performed by the Residential Retrofit EM&V contractor team, which was selected in part on the basis of its market assessment experience and has extensive experience with residential retrofit markets. The residential working group agreed with this suggestion, and the study is now proceeding as part of the Residential Retrofit Research Area.

*Weatherization Incentive Levels.* Outside of the statewide framework, NGRID proposed to do a fast track study of residential customer response to alternative gas weatherization incentive levels. This study was intended to inform the development of an RFP for a new gas weatherization implementation contractor. Following discussions between NGRID, DOER and the EEAC consultants, it was agreed that this study would be incorporated into the Residential Retrofit Research Area.

*Wrap-Up of EM&V Activities Under the Old Framework.* We continued in June to wrap up our involvement in a number of studies being completed under the old EM&V framework.

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<sup>1</sup> In most Research Areas, there are specific workplans covering roughly the first twelve months of the contract, with activities after that period to be planned on an annual basis toward the end of each twelve-month period. Because these twelve-month periods run into the spring of 2011, we refer to the studies now underway as 2010-2011 studies. To clarify though, these studies generally do not run through all of 2011.

*Providing EM&V Input Into Policy and Program Planning Issues.* Policy issues we worked on in June included coordination of EM&V planning and implementation with the development of the Technical Reference Manual (TRM), and development of research-related criteria for fielding of pilot programs.

## **II. Anticipated activities over next six weeks**

Over the next six weeks we expect to continue to focus the bulk of our efforts on moving forward with implementation of 2010-2011 studies. A potential new activity is assisting DOER in its review of the EM&V-related aspects of the PAs' 2009 Annual Reports.

## **III. Overall assessment of project**

The implementation of the statewide EM&V framework is generally going well. Fielding of the 2010-2011 studies is now in full swing, and there have been no major administrative, policy or technical problems. There have not been any disagreements between the PAs and EEAC consultants that could not be resolved informally.

In our last two monthly reports, we had noted that delays in the completion of contracts between some PAs and some EM&V contractor teams threatened to delay study implementation. While there are still a few pockets of uncompleted contracts, the vast majority are now complete, and, at least as of now, this no longer appears to be a significant issue.

It continues to be a challenge to fully cover the waterfront given the wide range of EM&V activities in progress within Massachusetts, but we are handling this using the prioritization approaches discussed in our May monthly EM&V report.

## **Project Management**

### **I. Activities in June 2010**

- Kept team informed of directives from the Council and DPU's orders regarding focus of activities in June and upcoming in July;
- Maintained regular communication with team regarding on-going activities, issues, updates
- Maintained regular communication with DOER about project updates and issues

### **II. Anticipated activities over next six weeks**

- Coordinate consultant team input into preparation of Council meeting materials;
- Continue regular communications with team regarding on-going activities, issues, updates, including planning and coordinating the team's involvement in the 2011 mid-term modification activities;
- Manage new or enhanced team assignments in the context of approved workplan and budget.
- Continue regular communications with DOER.