

Northeast Energy Efficiency Partnerships, Inc.



## **Regional EM&V Forum**

### **EM&V Forum Project Committees Meeting September 26, 2008 Meeting Minutes**

<b>In-Person Participants</b>	<b>Participants by Phone</b>
Bob Donaldson, MA Dept. of Environmental Protection Carol White, National Grid Dave Jacobson, National Grid Jeremy Newberger, National Grid Bill Blake, National Grid Arlis Reynolds, National Grid Gail Azulay, NSTAR Barry Perlmutter, MA Dept of Public Utilities Marilyn Ross, MA Dept of Public Utilities Erin Malone, MA Dept of Public Utilities Mike Sherman, MA Dept of Energy Resources Jeff Schlegel, for CT Energy Conservation Management Board, and MA Non Utility Parties Jennifer Meissner, NYSERDA Colin High, for Metropolitan Washington Council of Governments (MWCOCG) Cindy Veit, EPA Region 1 Chris Neme, Vermont Energy Investment Corp., Colleen Orsburn, Vermont Energy Investment Corp. Elizabeth Titus, NEEP Julie Michals, NEEP	Cindy Jacobs, CT Dept of Public Utility Control Don Flynn, Connecticut Light & Power Paul Gray, United Illuminating Dimple Gandhi, Long Island Power Authority Ralph Prah, consultant to MA Dept of Energy Resources and Non-Utility Parties Linda Cavalluzzi, Long Island Power Authority Josu Omaechevarria, New York Power Authority John Zabliski, Rochester Gas & Electric Stacy Harwood, NY Public Service Commission Bill Saxonis, NY Public Service Commission Julie Niedzialkowski, NY Public Service Commission Tim Ellis, ConEd Armen Nishanian, ConEd Jon Osgood, NH Public Utilities Commission Kim Oswald, consultant to CT Energy Conservation Management Board Ann Bishop, VT Public Service Board TJ Poor, VT Dept of Public Service Erin Coughlin, Rutgers University, for NJ Board of Public Utilities Mike Ambrosio, consultant to the NJ Board of Public Utilities Dan Hurley, MD Public Service Commission Cheryl Jenkins, Vermont Energy Investment Corp. Ely Jacobsohn, MD Energy Administration Calvin Timmerman, MD Public Service Commission

#### **1. Meeting Introduction and Updates**

Julie Michals opened the meeting at 10:00am and welcomed participants, followed by participant introductions (in person and on-phone). Ms. Michals began the meeting with a summary of various EM&V Forum updates including reporting on status and next steps for Forum Steering Committee actions; Forum funding for 2008 implementation activities and 2009-2011 period, cost allocation framework, and national updates on M&V protocol development, including the NAESB Demand Response M&V project and language being considered in draft national carbon legislation. Notice was given that when/if NAESB develops any EE M&V model best practices, the EM&V Forum will be involved, and state stakeholders should also be represented since they were not well represented during initial discussions at NAESB last year. Also, to extent applicable, New England utilities are encouraged to participate in NAESB discussions on M&V protocol development for retail demand response currently under way (see <http://www.naesb.org/dsm-ee.asp>)

Ms. Michals introduced new co-chairs of the Project Committees, and described the consensus process in the Forum Operational Guidelines for Project Committee members reaching agreement to bring recommendations to the Steering Committee, and where there is no consensus, issues will be brought to the Steering Committee for resolution. In terms of representation on the Project Committees, it was noted that more air regulatory and more natural gas efficiency provider representation on the Committees would be welcomed.

## 2. Discussion of Forum Projects – Draft Project Recommendations

Ms. Michals introduced the discussion on draft Forum projects with the questions: “Do you recommend your state participate in this project? If not, why not? If so, do you have any comments on the project goal, budget and/or timeline?” Each Forum project was discussed in turn as follows:

### Project #A1: Glossary of EM&V Terms & Definitions Project

Gail Azulay (subcommittee co-chair) provided a status report of this project, which is underway and being supported largely by in-kind resources provided by MA Dept of Energy Resources (Paul Horowitz). This project will build off of the NAPEE Impact Evaluation Guide glossary. (Please refer to [www.epa.gov/eeactionplan](http://www.epa.gov/eeactionplan)). The final product will include acronyms and it will reflect a review of other glossaries, including those addressing gas efficiency and air/environmental policy. Completion of this project is targeted for early 2009.

**Action: The Subcommittee for this project would be strengthened by air regulatory representation. NEEP followed up with Cindy Veit (EPA Region 1) who has agreed to join the subcommittee.**

### Project #A2: Common EM&V Protocols Project

Julie Michals provided an overview of this project and results from the survey to identify priority EM&V protocol elements to address in 2009. Kim Oswald asked for clarification on what we mean by the term “protocols” – how flexible are these, are they guidelines or something else? It was clarified that we are referring generally to EM&V “methods”, given that no organization in the Northeast currently has protocols for methods (while technical reference manuals contain savings/input assumptions and values, algorithms, and references to supporting documents, they do not describe EM&V methods used to calculate e.g., gross/net savings). It was also clarified that the Forum Steering Committee will be presented with recommended EM&V protocols/methods for state use, yet each state will need to determine whether to adopt/require use of the Forum recommended protocol – as such, what the Forum develops is voluntary and not prescriptive or a standard. It was noted there is a rich history of generally accepted good evaluation practice to draw on in New England, New York and New Jersey, and therefore there is no need to reinvent the wheel, but rather to make existing methods used more transparent and consistent where it makes sense. This includes consideration of the International Performance Measurement Verification Protocol (IPMVP) as it might apply to portfolio of EE programs. NAPEE link <http://www.epa.gov/cleanenergy/energy-programs/napee/index.html> . IPMVP link is at [http://www.evo-world.org/index.php?option=com\\_content&task=view&id=60&Itemid=79](http://www.evo-world.org/index.php?option=com_content&task=view&id=60&Itemid=79)

Carol White indicated the importance of having a common language, and ensuring people are able to understand what can and cannot be added together. Also, recognizing that there are some competing priorities – i.e., ISO/RTO focus on demand savings does not necessarily reflect or meet all objectives we are trying to achieve in the Forum. We should start with EM&V protocols for energy savings and build on demand savings.

Jeff Schlegel noted that EM&V “methods” is broadly defined. It would make life easier if same algorithms were used across region. For other types of methods, these would be more like a best practice guide. We need to work on other types of methods besides IPMVP Option A.

Chris Neme expressed concerns about developing one approach – better that we identify pros and cons to different approaches. Mr. Neme suggested the Forum consider other priority needs for developing common methods, such as Net Savings, where developing approaches to address uncertainty and complexity about free-ridership and spillover is critical. Mr. Neme also suggested priority needs of determining impacts of EE programs in advancing code and standards, and impact of program in changing behavior, and issues of attribution. Kim Oswald added the need to address market transformation impacts and how long can you get credit for these savings.

Jeff Schlegel pointed out that “methods” and “deemed savings” are more like protocols. Other types of studies/issues such as code/standard impacts and behavioral changes is really tough to address, because who would you trust to analyze this given the scrutiny of regulators focused on resource acquisition who have a hard time for things you don’t cut rebate checks for. Mr. Schlegel suggested calling these kinds of projects “emerging issues”, which will require discussion and exploration rather than decision and method. Chris Neme agreed this was true for some elements, but for some ways of getting

at net savings, there are well established practices. Mike Sherman noted the discussion raised implicit policy decisions behind them, or will inform policies, and the notion of doing exploration is extremely important.

Jeremy Newberger asked how we envision the product of this project/work to be used given different perspectives. Mike Ambrosio responded that in case of New Jersey, it spends time updating its protocols, and the main goal of a regional project would be to have a process for regional updating of protocols which would save money by New Jersey not doing it themselves.

Dave Jacobson suggested the project catalog different EM&V methods and “weed out” the bottom 10-20%, e.g. for estimating gross savings, for common measures like prescriptive lighting. Carol White agreed we need to prioritize, and be realistic about what we can do in 2009. Other things we’re talking about are more challenging yet should not be discarded – they become the next priority. There is value in developing common methods for e.g., gross savings. Where there are long-running programs, estimating savings related to program efforts is not straightforward, we’re probably understating what we are achieving as program efforts. For net savings, approaches commonly used today for free-ridership and spillover are not adequate. Next phase for net savings is a combination of looking at approaches and methods, and new evaluation work from the Forum R&E Committee. These new ways/approaches will hopefully be accepted by regulators. Also, we need to address natural gas as well as electric efficiency protocols.

Jeff Schlegel suggested that since not all states responded to the survey NEEP sent out to prioritize projects, NEEP should update the table with additional outreach. There seems to be agreement that at least one Net Savings project moves up on list. In addition, perhaps we should add a second project that addresses some of the issues on methods for estimating impacts from changing energy codes and standards, etc. At least 2 states - MA and CT- need to address these questions in early 2009 (MA needs it by April '09). This is also a big issue in NY and RI. Mike Sherman agreed with Jeff’s suggestion.

Chris Neme expressed concern that any common EM&V methods developed by Forum may serve as default and will be required by states. Julie Michals responded that they will serve as guidelines/model best practices, and should a program administrator choose to do something different they can explain the reasons thereof to their state regulator. Mr. Neme added that this would put a burden on individual states and may create hurdles for program administrators.

With regard to Project #A2.2. Subregional projects (for New England, Mid-Atlantic region, and New York protocol development) it was agreed this was a separate project from developing common EM&V methods guidelines/best practices using different resources/contractors. NEEP staff agreed and will identify these activities as discreet yet pointed out there is overlap given e.g. protocol development for wholesale capacity markets for efficiency demand savings in ISO-NE and PJM.

**Action: NEEP to redistribute table reflecting recommendations today and requesting further input. This includes adding Project #A3 (Survey of Savings/Input Assumptions and Algorithms) to #A2 above since it makes sense to issue a single RFP to conduct broad survey of EM&V methods and savings assumptions etc/TRMs as a single project with one contractor. NEEP will also add Net Savings Project as priority project. NEEP will convene the subcommittee for this project to further refine scope.**

#### Project #A3: Survey of Savings/Input Assumptions and Algorithms

Julie Michals provided an overview of this project and results from the survey to identify level of importance in undertaking this regional project. Chris Neme noted that there is value in collecting what people are using across the region, with the caveat that it is dangerous if differences are presented out of context. Dave Jacobson suggested combining this project with the EM&V Methods project above and use a single contractor.

Colin High asked for clarification on what is meant by “savings”, did this mean profile of savings over time, or not? If it entails dealing with profiles in time, then it has a different scope than just total savings from a technology, where the tasks of measuring, compiling, and populating a database would be significantly more complex and more valuable than simply total savings measures documented. Mr. Jacobson agreed, but pointed out that we have outdated savings loadshape studies. Jeremy Newberger and Chris

Neme concurred. Barry Perlmutter noted that in principle, it would be hugely helpful from a regulator standpoint to have data that is trustworthy.

**Action: NEEP to add this project to Project #A1. Scope of this effort would need to ensure that contactor identifies/explains differences in savings/input assumptions due to key differences (e.g., type of program design, different climate zones, etc.).**

#### Project #A4: Develop Common Reporting Guidelines for EE Savings

Julie Michals provided an overview of the project and purpose/value for developing common reporting guidelines. Value was recognized for this project for companies/organizations dealing with multiple jurisdictions would be a plus. However, overriding concern/comment from participants was that before we move forward with this, is there any way we could get real commitment from the regulators that what would come out of this process will be the reporting format that would be in addition to existing reporting requirements. This project would address electric and natural gas efficiency impacts, in which case the proposed budget is understated. NEEP to address this with project subcommittee. Jeremy Newberger suggested this study be given a lower priority, and to first scope this by surveying current reporting formats are and how different they are, and what purposes they serve.

Bob Donaldson noted there is some need for consistency with reporting EE impacts. This was echoed by Colin High to support using EE measurements for calculating air emission reductions. EE projects in many situations are least cost way of lowering NOx, particulates, Hg, and GHG emissions. We can anticipate challenges in achieving consistency because what gets measured and reported may differ for different audiences, air and energy efficiency stakeholders. Jeff Schlegel suggested this should be discussed with subcommittee, keep it on the project list and rescope it as perhaps several stages, given high need to develop and implement common reporting formats for air regulator needs. Jon Osgood suggested the Forum Steering Committee should be guiding this effort.

**Action: NEEP to discuss this with Steering Committee at next planned conference call and then convene subcommittee to scope project.**

#### Project #A5: Scope On-Line Savings and Reporting Database

Julie Michals introduced this project as one where there was less consistent interest across all states in undertaking this effort. It was noted that we should first collect data (Project #A3), then consider a database. However, states in the mid-Atlantic region and possibly New York were interested given plans to develop a common savings database. Mike Sherman indicated that MA DOER has database for electric savings data, and hopes to develop one for gas efficiency. Jennifer Meissner noted that New York plans to develop a common savings and reporting database as part of the EEPS process. Chris Neme noted there may be value to including range of savings data in a database, but if this project scope includes developing a common set of assumptions, then Mr. Neme does not support the project.

**Action: NEEP to discuss this with Steering Committee at next planned conference call for further guidance, and discuss further with states that have plans to develop a database in 2009.**

#### Project #B1: Loadshape Project

Elizabeth Titus provided an overview of the project and purpose/value of obtaining updated loadshape data and savings loadshapes for use in efficiency program evaluations, supporting forward capacity market and related efforts, and supporting air regulatory policy implementation. She noted that this project is on an aggressive timeline. The first phase – cataloging available data – will be done jointly with the NW Regional Technical Forum. The RFP can be released as soon as the EMV Forum approvals are provided, and work is scheduled to take place in 2008 and early 2009. Phase II, field collection of data to fill in gaps, is planned to start in 2009. A budget of \$440,000 has been proposed for the 2 phases, recognizing that given the expense of data collection, it is likely that this budget is conservative, and additional work – and budget – may be proposed for 2010. Gail Azulay inquired if PAs need to participate in Phase II if they already have data (e.g. C&I). Since the scope of Phase II will not be established until 2009, it is difficult to know at this time; the goal of the EMV forum is to be inclusive, but also flexible. Connecticut and Massachusetts PAs and non-utility party consultants expressed their interest in this project and communicated their urgent need for this information. New York PAs and PSC were unable to indicate support or lack of support at this time, due to the fact that NY is in the early stages of statewide energy efficiency evaluation planning, Mike Ambrosio offered to confer with evaluation managers and get

back to us. Maryland expressed a strong interest and need for loadshape data, but explained that budget constraints limit their ability to commit at this time.

**Action: NEEP to hold follow up discussions or emails with project committee members who were unavailable or needed to confer with others and to discuss this with Steering Committee at next planned conference call.**

#### Project #B2: C&I Lighting Persistence and Measure Life Project

Discussion of this project was deferred due to time constraints and in recognition that this could be covered along with other proposed follow-up by NEEP, given that many PAs were interested in conferring with others prior to responding.

**Action: NEEP to follow up with Project Committee members to better determine state interest.**

#### Closing Comments on Forum Projects Discussion

Jeremy Newberger asked what the process is for the Steering Committee to make decisions on final projects, including setting budgets. NEEP responded that the Steering Committee's role is to guide and steer the Forum agenda, not to implement the agenda, and that the Steering committee is informed by Project Committee recommendations. Julie Michals noted that the objective of developing project recommendations and estimates of budget by state is so that program administrators can take these budgets and incorporate into their evaluation budget planning for 2009. This recognizes that there is a new process in place that engages regulatory commissioners (Steering Committee) to review/consider evaluation plans and budgets (pertaining to the Forum) prior to their review/approval of final docketed plans. The expectation is that with the NECPUC/MACRUC resolutions supporting funding of the Forum's objectives/activities, and Steering Committee input to Forum agendas/budgets, there would be little/no opposition to supporting the Forum activities when program administrator final evaluation plans are considered for approval.

### **3. Information Access Committee**

Julie Michals introduced Don Flynn and Mike Sherman as the co-chairs for the Information Access Committee, and provided an update on status of activities including access to Forum products/materials; Forum website development; and the Forum Annual Public Meeting. Ms. Michals noted that currently there were no "volunteers" from states to serve on this committee, and she would follow up with each state to recruit a state agency representative and utility/program administrator representative.

**Action: NEEP will identify 2-3 meeting locations to use in the future, and will send notice of next quarterly Project Committee meeting (likely Dec/January 2009). NEEP to recruit members to serve on Info Access Committee.**

### **4. Project Committee Meetings**

Julie Michals requested feedback on whether Forum Project Committees meeting should be individual separate meetings, or joint meetings (quarterly) given overlap in committee membership. The issue of whether to hold in-person vs teleconference meetings was raised, in recognition that not everyone can travel and attend meetings in person given geographic scope of the region. It was generally agreed that joint Project Committee meetings made sense on a quarterly basis, and in-person with teleconf/webcast option works.

**Action: NEEP will identify 2-3 meeting locations to use in the future. The next scheduled quarterly Project Committee meeting to be in January 2009, dates to be proposed.**

The meeting adjourned at 2:10pm.