REGIONAL EVALUATION,
MEASUREMENT & VERIFICATION FORUM

November 12, 2010 Quarterly Project Committees Meeting Teleconference Notes and Action Items

Participants:

Name	Organization	Name	Organization
Kristy Fleischmann	Baltimore Gas and Electric	Elizabeth Titus*	NEEP
Sheldon Switzer	Baltimore Gas and Electric	Katie Mammen	New York Department of Public Service
Phil Moffitt	Cape Light Compact	Bill Saxonis	New York Department of Public Service
Dan Cleverdon	District of Columbia Public Service Commission	Earle Taylor	Northeast Utilities, Consultant
Chris Neme	Energy Futures Group	Gail Azulay	NSTAR
Dennis Hartline	Maryland Energy Administration	Mary Cahill	NYPA
Crissy Godfrey	Maryland Public Service Commission	Victoria Engel-Fowles	NYSERDA
Huilan Li	Maryland Public Service Commission	Laura Magee	PEPCO
Stacy Sherwood	Maryland Public Service Commission	Dave Pirtle	PEPCO
Marilyn Ross	Massachusetts Department of Public Utilities	Tom Belair	Public Service of New Hampshire
Ralph Prahl	Massachusetts EEAC, Advisor	Ruth Gay	United Illuminating
Don Gilligan	NAESCO	Paul Gray	United Illuminating
David Jacobson*	National Grid	John Moskal*	US EPA – Region 1
Carol White*	National Grid	TJ Poor	Vermont Department of Public Service
Cecily McChalicher*	NEEP	Ethan Goldman	Vermont Energy Investment Corp / Efficiency Vermont
Julie Michals*	NEEP	Pam Stonier*	Vermont Public Service Board

*denotes in person attendee

This meeting was digitally recorded

Meeting Action Items:

1. Forum participants to contact NEEP with any comments/questions about the *Project Cost Modification Guidelines*.
2. Forum funders to email Cecily McChalicher (cmcchalicher@neep.org) if they need invoices from NEEP to close out 2010 funding before year-end.
3. NEEP to send a communication to each funder that presents the estimated invoicing cost through the end of 2010, and the amount of any 2009 and 2010 funding that will carry over to 2011.

4. For Project A3: *Common Statewide Reporting Guidelines,* NEEP to:
    a. Discuss with Maryland participants how the state characterizes net and gross savings.
    b. Add an option to list energy/demand savings at the program level in Tables 1.1 – 1.4.
    c. Further discuss with National Grid the suggestion to use consistent loss factors for generation level savings.
    d. Eliminate Cumulative Savings from the Guidelines.
    e. Use BTUs as the unit for 'other fuels.'
    f. Add a recommendation to the Preface that future versions of the Guidelines may want to consider breaking out 'other fuels' more specifically.
    g. Not add or include a table for lifetime kWs.
    h. Add a table to report the percent of savings by funding source, including an option to indicate if full information about funding sources is not available.
    i. Provide more guidance about the types of expenditures that fit into the 'rebates/incentives' category and the 'administration/marketing/other' category in Table 2.1.
    j. Clarify that either levelized cost of saved energy or lifetime cost/kWh (not both) should be reported, with the levelized cost approach preferred.
    k. Note in the *Process Recommendations to Support Reporting of Avoided Air Emissions* section that EPA guidance is forthcoming on incorporation of EE into SIPs (air quality plans).
    l. Discuss *Table 4 – Job Impacts* with the Steering Committee to determine what job impacts information should be included in the Guidelines, given the challenges states face in determining job impacts, and whether any specific methodologies should be recommended.
5. NEEP to invite some Forum participants, including TJ Poor and Carol White, to participate with Steering Committee members on a Policy Committee that will address issues that require policy direction, such as net savings and codes and standards.
6. Forum participants to contact Elizabeth Titus with any comments/questions about the Net Savings Scoping Paper project or the Codes and Standards Workshop.
7. For the *2011 Forum Agenda and Budget*, NEEP to:
    a. Develop a contingency budget and agenda to account for uncertainties, including the availability of federal funding from DOE and EPA and the potential for further incremental cost and measure persistence research.
    b. Add a discrete budget for *Conduct Evaluation of Forum (*$40,000 - $50,000).
    c. Shift the 3% Fiscal/Admin fee to Base Costs ($45,000).
    d. Incorporate PD11-6 (*Develop Protocols to Support Transferability of Metering and Related Data)* into Loadshape Research (RE11-1), and to discuss with the loadshape study subcommittee whether KEMA's contract could be extended to cover this work, or potentially use Steve Waite for this project.
    e. NEEP to revise the 2011 agenda and budget with feedback from the meeting, and obtain further comments by email before bringing the agenda and budget to the Steering Committee for approval in December.
8. NEEP to inform Forum participants of important NAESB meetings and distribute any NAESB draft materials where review/comment is needed.
9. States to provide NEEP with direction on gas companies' participation in and funding of the Forum in 2011.
10. The next quarterly Project Committees meeting will be held in February 2011. Forum participants to notify NEEP if there are conflicts during that time.

Meeting Overview:

Julie Michals (NEEP) opened the meeting and reviewed the meeting attendees, agenda, and objectives.

A. Operational Updates

Project Cost Modification Guidelines
Julie Michals explained that the draft *Project Cost Modification Guidelines* were presented at the last quarterly Project Committees meeting on July 29. The draft Guidelines were then presented to the Steering Committee at its meeting on September 15, and the Maryland Public Service Committee requested revisions to the Guidelines. In particular, the Maryland PSC requested that the level of cost overrun required for Steering Committee approval be reduced from $40,000 to $15,000. She clarified that any cost overrun will be brought to the Steering Committee's attention, but if it is greater than $15,000 it will need approval. She asked Forum participants to share any comments or questions with NEEP.

Forum Invoicing
Julie Michals stated that NEEP invoices funders on a monthly or quarterly basis, depending on their preference, and the invoices indicate the status of project funding. NEEP also sends quarterly statements with the status of project funding to those who have pre-paid their full cost share. She asked funders who need invoices from NEEP to close out 2010 funding before year-end to email Cecily McChalicher (cmcchalicher@neep.org).

Julie Michals added that some 2010 Forum projects are carrying over into 2011. NEEP will contact those funders with a purchase order that expires at the end of the year to discuss purchase order extensions. She also clarified that the draft 2011 project agenda and budget does not reflect carry over funding for the 2010 projects.

Tom Belair (PSNH) stated that the PSNH evaluation budget is done on an annual basis. Therefore, he needs to know what the 2010 carryover amount is since the funding is not automatically carried over into the next year.

Gail Azulay (NSTAR) added that Massachusetts is in the same situation. She needs the 2010 carryover information for NSTAR as well.

Julie Michals replied that the Forum will send a communication to each funder that presents the estimated invoicing cost through the end of 2010, and the amount of 2009 and 2010 funding that will carry over to 2011.

Action Items:

1. Forum participants to contact NEEP with any comments/questions about the *Project Cost Modification Guidelines*.
2. Forum funders to email Cecily McChalicher (cmcchalicher@neep.org) if they need invoices from NEEP to close out 2010 funding before year-end.
3. NEEP to send a communication to each funder that presents the estimated invoicing cost through the end of 2010, and the amount of any 2009 and 2010 funding that will carry over to 2011.

B. Project A3: Common Statewide Energy Efficiency Reporting Guidelines

Julie Michals provided an overview of the status of the *Common Statewide Energy Efficiency Reporting Guidelines* project. She thanked everyone for their review of the Guidelines and contributions to the project. The Steering Committee reviewed the draft Guidelines at its meeting on September 15. Feedback received at the meeting included:

- The Guidelines will be a living document that will be updated and potentially expanded periodically, though not necessarily annually.

- The Guidelines will be modified as follows: include savings impacts from fuels other than electric and gas (e.g., oil, propane); allow for inclusion of savings from efficiency activities funded through sources other than ratepayer funds; and allow for inclusion of demand response programs.

Julie Michals reviewed the key comments received from the most recent version of the draft Guidelines, dated September 24:

Clarify "Adjusted Savings" and Adjusted Gross Savings
There was a suggestion to clarify adjusted savings and adjusted gross savings; NEEP will take a harder look at the language.

Report Gross Savings not only Adjusted Gross Savings
There was a suggestion that Tables 1.1 – 1.4 should include unadjusted gross savings in addition to adjusted gross savings. Table 1.0 allows the reporter to define what adjustments are made to gross savings, but it does not ask for unadjusted gross savings. Julie Michals asked if there is value to reporting unadjusted gross savings.

Dave Jacobson (National Grid) stated that National Grid's annual report includes fully unadjusted savings. On a program by program basis, he sees a value in reporting unadjusted savings, but for a high level report like the Guidelines, unadjusted gross savings is not needed.

Victoria Engel (NYSERDA) stated that NYSERDA reports unadjusted gross savings, adjusted gross savings, and net savings on a program by program basis. She added that by reporting unadjusted gross savings one can see the effect of the realization rate. She agreed that unadjusted gross savings is not necessary for a high level report.

David Pirtle (PEPCO) made a comment about Maryland's approach to reporting gross and net savings. Julie Michals will discuss with PEPCO and Maryland Public Service Commission participants how the state characterizes net and gross savings.

Julie Michals stated that the Guidelines clearly define net savings and adjusted gross savings, as described in Table 1.0. After some discussion, the decision was made not to include unadjusted gross savings in the Guidelines.

Report Energy/Demand Savings by Sector Level Only or also at Program Level
There was a suggestion that Tables 1.1 – 1.4 should allow the reporter to list the individual programs under the three sectors (residential low-income, residential non low-income, and commercial and industrial) rather than reporting totals at the sector level. Julie Michals asked if it would be possible and worthwhile to include specific savings by program.

Tom Belair suggested leaving the tables as-is but allowing a state to break savings down by program if they so desire.

Marilyn Ross (Massachusetts DPU) stated that Massachusetts is moving towards reporting program by program saving and would like at least a choice to list individual programs.

Generation Level Savings Should Have Consistent Loss Factors
There was a suggestion from National Grid that there should be consistent loss factors for generation level savings, unless a utility's system is different from the norm. Julie Michals asked if a consistent transmission and distribution loss factor is used in the region.

Chris Neme (Energy Futures Group) stated that loss factors in Vermont are different than they are in other states in the region.

After some discussion, it was determined that there are regional differences in loss factors, and it likely is not possible to use a consistent value. Julie Michals will further discuss with National Grid the suggestion to use consistent loss factors for generation level savings.

Is it Possible to Pick a Base Year for Cumulative Savings?
There was a suggestion to pick a base year for cumulative savings, but the project subcommittee previously suggested that the Guidelines not identify a base year.

John Moskal (US EPA – Region 1) stated that base years are important, but it may not be helpful for the Guidelines to set a base year. For emissions reports, the base year will be different by pollutant and state.

Dave Jacobson stated that National Grid identifies a base year mostly for public relations so that the cumulative benefit of the programs is apparent. From a regulatory perspective, cumulative savings is not important.

There was some discussion about the value of including cumulative savings in the Guidelines. There was agreement that the primary value of cumulative savings is from a big picture, educational perspective to see the overall impact of programs. Concern was expressed that certain states, such as New York, did not have active energy efficiency programs during some of the last ten years, which may provide a misleading assessment of cumulative savings.

After further discussion, it was decided that cumulative savings should be eliminated from the Guidelines.

Add Units for "Other Fuel" Savings (BTUs)
There was a suggestion from US DOE to use BTUs as the units for 'other fuels' since DOE primarily uses BTUs. NEEP requested guidance on how to transfer kWh and therms into BTUs.

Tom Belair asked if 'other fuels' could be listed individually (oil, propane, kerosene, wood). When PSNH reports at the end of the year for the TRC, they need to break savings down by fuel type.

Dave Jacobson replied that National Grid has trouble tracking down non-electric, non-gas savings and would prefer not to distinguish individual 'other fuels' in their data collection process.

Stacy Sherwood (Maryland Public Service Commission) suggested leaving it as-is and perhaps listing other fuels individually in a future version of the Guidelines. She added that Maryland does not break out other fuels.

Julie Michals replied that she will add a recommendation to the Preface that future versions of the Guidelines may want to consider breaking out 'other fuels' more specifically.

Add a Table for Lifetime KWs
There was a suggestion that there should be a lifetime demand impact table that shows lifetime MW or kW savings, but there was also feedback that it is not correct to multiply annual kW by measure life.

Dave Jacobson stated that it is technically not correct, but is commonly done. He added that lifetime kW gives an indication of the lifetime capacity benefits.

Chris Neme added that lifetime kW can be misleading, and lifetime capacity benefits can be determined by looking at the weighted measure life of savings.

There was additional discussion on the value of reporting lifetime kW. It was determined that Massachusetts and Connecticut currently report lifetime kW, Maryland does not, and Vermont does not believe it makes sense to report it. There was recognition that regulators expect to see lifetime kW every year, but since lifetime kW is included in program administrators' annual reports, there is no need to include it in a higher level report such as the Guidelines.

Add % of Savings by Funding Source

There was a suggestion to include a section that asks for percent of savings by funding source. Julie Michals will add this section.

Tom Belair stated that ARRA and RGGI funds not always straightforward, and reporters might not know what all of the funding sources are, in particular customer cost.

Julie Michals stated that she will include an option to indicate if full information about funding sources is not available.

Break Out Expenditures by Sector/Program Level, Allow Reporter to Define Administrative / Marketing Costs

There was a suggestion from the Maryland Public Service Commission to break out expenditures by sector and to allow the reporter to define their administrative/marketing costs. Maryland would like to see how other states are breaking down their costs.

Julie Michals stated that it is very difficult to define what some states include in administration costs versus marketing costs, but the Guidelines could ask the reporter to describe what they include in those two categories.

Carol White (National Grid) stated that it is important for the Guidelines to provide clear definitions and directions of what information to provide. She added that administration expenses will be different for different participants.

Julie Michals stated that she will provide more guidance in Table 2.1 about the types of expenditures that fit into the 'rebates/incentives' category and the 'administration/marketing/other' category.

Report Either Levelized Cost of Saved Energy or Lifetime Cost/kWh

There was a suggestion to clarify that either levelized cost of saved energy or lifetime cost/kWh can be reported, not both, with the preference being the levelized cost approach. Julie Michals will add this clarification.

Recommend Use of Marginal Emission Factor and Recommend Specific Calculation Methodology

There was a suggestion to recommend the use of a marginal emission factor rather than giving the option of marginal or average. There was also a suggestion to recommend a specific calculation methodology for emission impacts.

John Moskal stated that US EPA is looking at how state programs can take credit for emission reductions and will be providing guidance on the incorporation of energy efficiency into SIPs (air quality plans) after the first of year. He would like to defer to EPA's forthcoming guidance.

Julie Michals will include a note in the *Process Recommendations to Support Reporting of Avoided Air Emissions* section that EPA guidance is forthcoming on incorporating energy efficiency into SIPs.

Why Report Avoided CO2 given RGGI
A question was raised as to why avoided CO2 is being reported when RGGI caps carbon.

John Moskal replied that there is value in collecting this data in order to understand the impact of efficiency programs on CO2 emissions. He added that RGGI is a limited program, and efficiency programs may capture a wider net of CO2 reductions.

Julie Michals added that many program administrators report a CO2 avoided emissions number. The avoided emissions table will likely change in future versions as there is more discussion between air regulators and energy efficiency program administrators.

More Guidance Needed on Job Impacts Method, Don't Recommend Only ARRA tool/method for Direct Jobs
There have been mixed comments on the job impacts section of the Guidelines. Some want more direct guidance, while others do not want the ARRA tool/method used.

There was some discussion about how the various ways that states address and calculate job impacts. It was evident that determining job impacts is a very challenging process, and states use different methods that may lead to incomparable results. The value of reporting job impacts was questioned.

It was decided that NEEP will discuss *Table 4 – Job Impacts* with the Steering Committee to determine what job impacts information should be included in the Guidelines, given the challenges states face in determining job impacts, and whether any specific methodologies should be recommended.

Next Steps
Julie Michals reviewed the next steps for the Common Reporting Guidelines project. NEEP will make revisions to the draft and will reach out to states that it has not heard from yet. In next month, NEEP will reissue the final document and build support before bringing it to the Steering Committee for adoption in mid-December. She added that representatives from US DOE and US EPA spoke at the Forum's Annual Public Meeting and expressed support of the Guidelines. NEEP is also coordinating with other related national efforts including the SEE Action Network, and US DOE's work on Form 861.

Julie Michals explained that the proposed 2011 project related to the Guidelines is intended to provide support to implement the guidelines as well as translate the reporting templates to an Excel format. Maryland has expressed that they do not want an expensive online tool to be developed until the Guidelines are better established.

Julie Michals also reminded participants to please use, cite and reference the existing Forum products in order to demonstrate the effectiveness of the Forum.

Action Items:

4. For Project A3: *Common Statewide Reporting Guidelines,* NEEP to:
    a. Discuss with Maryland participants how the state characterizes net and gross savings.
    b. Add an option to list energy/demand savings at the program level in Tables 1.1 – 1.4.
    c. Further discuss with National Grid the suggestion to use consistent loss factors for generation level savings.
    d. Eliminate Cumulative Savings from the Guidelines.
    e. Use BTUs as the unit for 'other fuels.'
    f. Add a recommendation to the Preface that future versions of the Guidelines may want to consider breaking out 'other fuels' more specifically.
    g. Not add or include a table for lifetime kWs.
    h. Add a table to report the percent of savings by funding source, including an option to indicate if full information about funding sources is not available.

i. Provide more guidance about the types of expenditures that fit into the 'rebates/incentives' category and the 'administration/marketing/other' category in Table 2.1.
j. Clarify that either levelized cost of saved energy or lifetime cost/kWh (not both) should be reported, with the levelized cost approach preferred.
k. Note in the *Process Recommendations to Support Reporting of Avoided Air Emissions* section that EPA guidance is forthcoming on incorporation of EE into SIPs (air quality plans).
l. Discuss *Table 4 – Job Impacts* with the Steering Committee to determine what job impacts information should be included in the Guidelines, given the challenges states face in determining job impacts, and whether any specific methodologies should be recommended.

C. Impact of Energy Efficiency Programs on Advancing Codes and Standards Project

Elizabeth Titus (NEEP) provided an overview of the Forum's September 28 workshop: *Roadmap to Claiming Savings from Building Energy Codes and Appliance Standards*. The workshop succeeded in increasing awareness of this topic, and a post-workshop survey identified priorities for future work. Identifying priorities is rather challenging since certain states are moving quickly on this issue while others are not. NEEP plans to develop a scope for a codes and standards project that supports all of the interests in the region, and is seeking funding from US DOE and/or US EPA.

Dave Jacobson asked if the Forum's workshop helped regulators understand and support efforts for program administrators to claim savings from codes and standards programs. He suggested that the Forum may want to survey Commissioners about their views.

Julie Michals replied that the Codes and Standards workshop was the Forum's first attempt to bring the regulatory audience together with program administrators to discuss this issue. Elizabeth Titus noted that the Policy Committee that the Forum is convening to tackle policy issues will address the codes and standards issue. The Forum may follow up with a survey after the initial discussion in the Policy Committee, but it is premature at this time.

TJ Poor (Vermont DPS) stated that regulators may have less interest in attributing savings to program administrators for codes support work than program administrators. He acknowledged that these programs generate indirect savings, but at least some regulators have reservations about spending time and effort to quantify the impacts of these programs. He would like to find another way to encourage program administrators to do this work without spending lots of resources on trying to attribute savings. He expressed support for sharing more information about this issue through the Policy Committee.

Bill Saxonis (New York DPS) stated that New York is very interested in codes and standards evaluation since it represents about 1/3 of New York's long term goals. The NY EAG will be discussing this issue soon. He added that there are advantages to approaching this from a regional standpoint.

Carol White (National Grid) stated that National Grid has been doing work in support of code compliance in Massachusetts. She suggested that attribution for code compliance work is more straightforward than for code advancement.

Action Item:

5. NEEP to invite some Forum participants, including TJ Poor and Carol White and Bill Saxonis, to participate with Steering Committee members on a Policy Committee that will address issues that require policy direction, such as net savings and codes and standards.

D. Net Savings

Elizabeth Titus provided overview of the Net Savings Scoping Paper project. The paper is now final and will be posted to the EM&V Forum website. The contractors, NMR Group, Inc. and Research into Action, presented the paper's findings and conclusions at the Forum's Annual Public Meeting in Baltimore on October 19. There was a budget overrun for this project, which will require the first application of the *Project Cost Modification Guidelines*.

Elizabeth Titus summarized the paper's findings, which include lack of a clear policy direction in the region that would induce any change from status quo. She noted that in consultation with the Steering Committee, the Forum developed plans to convene a Policy Subcommittee that will address issues that require policy direction, including guidance on next steps for a 2011 net savings project. She summarized the recommendations from the study, which address both policy and measurement issues. More details about the recommendations can be found in the Lynn Hoefgen NMR presentation from the Annual Public Meeting that is posted on the Forum's public website under Meetings and Events. The recommendations are: #1 define adjusted gross savings, #2 define net savings, #3 advocate for reporting requirements to ensure availability of good data, #4 standardize metrics of program activity (track data in a way that is acceptable and comparable), #5 clarify definition and goals of attribution (attribution is increasingly important as multiple messages make it hard to determine the results of a program), #6 expand criteria for program assessment (acknowledge non-energy factors result from programs and are not currently counted), #7 develop guidelines for estimating net savings, #8 convene an efficiency/air regulation working group, and #9 use a deemed or negotiated approach (be more flexible in what is considered as an approach to net savings).

Carol White stated the issues raised by the recommendations are significant, and she supports the role of the Policy Committee in tackling these issues.

Pam Stonier (Vermont Public Service Board) suggested that input from RTOs/ISOs on this topic may be important.

Elizabeth Titus replied that the RTOs/ISOs were not included in the interviews that informed the paper because gross savings, not net, are specified in the ISOs' M&V manuals. She agreed that their perspective may be worth getting with regard to system planning.

Dave Jacobson commended the quality of the report and study, and noted that the quality reflected time expended by the contractors. He also stated that some states, in particular New York and Massachusetts, were waiting for the results of this study for direction on next steps to address net savings. These states may have expected more concrete recommendations and may go forward with their own assessment of the best methods. He added that PA Consulting is doing a study for Massachusetts that reviews net savings methods.

Julie Michals stated the Policy Committee may determine that this project should begin in early 2011, which could lead to results by mid-year 2011.

Action Item:

6. Forum participants to contact Elizabeth Titus with any comments/questions about the Net Savings Scoping Paper project.

E. 2011 Project Agenda and Budget

Julie Michals provided an overview of the Forum's 2011 agenda planning process. NEEP is currently conducting state by state outreach to solicit further feedback on project interest. After the meeting, NEEP will revise the agenda and budget and bring it to the Steering Committee for approval at its

December meeting. She reminded participants that Steering Committee adoption is not a commitment to fund the projects, but rather an expression of state interest in the projects.

Julie Michals explained that NEEP has received feedback to date from MA, MD, ME, NY, RI, and VT and still needs to hear from CT, NH, DC and DE. New Jersey will not participate in 2011, and staff from Pennsylvania indicated that they are not able to participate in the Forum in 2011. She added that Maryland funding is uncertain after the current contract ends on June 30, 2011. Maryland had funded the Forum with RGGI proceeds, but may not have enough to further fund the Forum.

Julie Michals explained that the draft budget will be changed as follows based on feedback received to date:

1) Supplementary US DOE/US EPA funding sources will be removed since they are not certain.
2) The 3% fiscal/admin fee will no longer be tied to projects. Tying it to projects was too complicated, and it does not fully cover NEEP accounting/legal costs. The fiscal/admin costs will be shifted to base costs ($45,000).
3) A discrete budget for the Evaluation of Forum will be added with a budget of $40,000-$50,000. A committee will be formed to lead the evaluation, and NEEP expects it will involve surveying Forum participants. It was acknowledged that NEEP staff should not lead the project.

Julie Michals proposed reviewing the state interest table project by project. She explained that the Forum's goal is to have coordinated feedback so that each state has a single voice, but she recognizes that this is challenging. There may not be consistency across all funders in a state, but the Forum needs at least one lead voice indicating if a state will or will not participate in a project.

PD11-1: Develop EM&V Methods and Savings Assumptions for Emerging Technologies and Program Designs

Tom Belair stated that he and Tom Franz discussed this project, and New Hampshire supports it.

Ralph Prahl (MA EEAC Advisor) stated that project PD11-1 may not have an effect on what Massachusetts does in the near-term, but that does not mean that it will not be helpful in the long run.

Julie Michals replied that some of the protocol projects are long-term focused and will be used over time but may not have an immediate benefit. She added that states have been citing Forum products in RFPs, and the hope is that program administrators throughout the region will use and refer to these guidelines, whether they have always been following the Forum protocols or if the protocols are new.

Dave Jacobson stated that it is important for utilities that are new to efficiency to get solid value from the protocol projects. If they are not, we need to reevaluate whether they are appropriate uses of resources. He added that PD11-1's focus on emerging technologies may add value. He also suggested that the Forum needs to monitor the states' TRM processes.

PD11-2: Develop Guidelines for Integrating Efficiency into System Planning

Julie Michals explained that this project was ranked low by the Project Committees, but the Steering Committee expressed strong support for this project. Representatives from ISOs/RTOs participated in a panel addressing this topic at the Annual Public Meeting. System planners recognize that efficiency is ramping up and needs to be incorporated into system planning, but they are still concerned about reliability. The panelists said they would be interested in working with the Forum on this project, and US DOE is also interested. There seems to be unanimous agreement that there should be consistent guidelines about how to incorporate energy efficiency into system planning, but it is uncertain what venue should be used to develop such guidelines. The Forum may just provide input into developing guidelines and not lead the project.

Dave Jacobson expressed concern about having an efficiency advocacy organization take a strong role in developing guidelines about how to incorporate efficiency. He stressed the importance of directly involving the ISOs in this project.

Pam Stonier stated that regulators disagree and would like the Forum to engage in this type of work so that it is a regional effort.

PD11-3: Common Statewide Energy Efficiency Reports Implementation Support
Julie Michals stated that this project would transfer the Reporting Guidelines to an Excel spreadsheet format. This project is supported by the Steering Committee. Maryland has provided feedback that we should not put too many resources into this project. The Project Committees co-chairs suggested budgeting $100,000, but it may not cost that much. NEEP will look to leverage funding for this, and US EPA is interested.

PD11-4: Calculating Effective Useful Measure Life in Early Replacement Programs
Julie Michals explained that this project ranked high in the Project Committees survey. No questions were raised.

PD11-5: Mid-Atlantic TRM
Julie Michals stated that Maryland is currently unsure about its participation in this project. She noted that SEE Action is interested in making statewide TRMs more readily available and is considering if state TRMs can be translated into an online database.

Carol White commented that this would be a huge challenge, particularly if the database would be regularly updated.

PD11-6: Protocols to Support Transferability of Metering and Related Data
Elizabeth Titus explained that this project is a recommendation that came out of the Phase 1 loadshape study. It would allow standard data to be collected so that it can be shared and used in other studies. She envisions the product as a short document that a program administrator could attach to any RFP that includes metering.

Dave Jacobson asked if this project could be folded into project RE11-1.

Elizabeth Titus replied that one of the existing loadshape contracts could be extended to include this project, as KEMA could be a good fit to do this. It was also suggested that Steve Waite could be used for this project. She will discuss this issue with the loadshape project subcommittee.

RE11-1: Loadshape Research
Julie Michals explained that an initial list of measures for this project has been developed by Elizabeth Titus, Steve Waite and the project subcommittee. It is an expensive project, but is highly valued by Forum participants.

Julie Michals noted that there was also interest in continued research on incremental cost and measure persistence, but these projects were not ranked highly in the survey because the 2010 studies addressing these topics had just begun. The Forum has received feedback that these topic areas are of interest. If we add those projects, other projects need to come off the agenda or we need a more flexible research budget.

Dave Jacobson stated that measure persistence and incremental cost research are expensive and would require a significant budget reallocation.

Bill Saxonis suggested that NEEP should note the level of uncertainty about each project's budget and flag ones for which there is a high degree of uncertainty. He added that New York set aside more funding than was required in the NEEP budget allocation in case they wanted to do extra New York-specific work.

Tom Belair suggested developing a rough estimate for the cost of further incremental cost and measure persistence research. He also suggested alerting others to gather and share incremental cost information with NEEP that may be obtained from an impact evaluation for an individual state.

There was some discussion about developing a budget contingency plan to account for uncertainties, including the availability of federal funding from DOE and EPA and the potential for further incremental cost and measure persistence research. There was general agreement that a contingency plan should be developed.

Dave Jacobson suggested that PD11-2 and PD11-3 are candidates for removal if the budget is reduced.

Julie Michals stated that NEEP will develop a contingency budget plan based on the feedback received from Forum participants, and will distribute it before the December Steering Committee meeting.

RE11-2: Natural Gas EE Research Market Characterization/Baseline Study
Julie Michals reported that this project is already under discussion by the natural gas subcommittee. She also noted that the 2010 gas project is about to start and will include incremental cost research on gas measures.

RE11-3: Estimate EE Impact on Advancing Energy Efficiency Codes and Standards
Julie Michals explained that NEEP is in discussion with US DOE and US EPA about funding for this project.

Base Costs
Julie Michals stated that base costs in 2011 will include a variety of Forum staff activities, planning and holing the Annual Public Meeting, and Education and Information Access Committee activities.

NEEP will revise the budget and obtain further comments by email before bringing the agenda and budget to the Steering Committee for approval in December. Several budget related materials are posted to the private Project Committees website.

Action Items:

7. For the *2011 Forum Agenda and Budget*, NEEP to:
    a. Develop a contingency budget and agenda to account for uncertainties, including the availability of federal funding from DOE and EPA and the potential for further incremental cost and measure persistence research.
    b. Add a discrete budget for *Conduct Evaluation of Forum (*$40,000 - $50,000).
    c. Shift the 3% Fiscal/Admin fee to Base Costs ($45,000).
    d. Incorporate PD11-6 (*Develop Protocols to Support Transferability of Metering and Related Data)* into Loadshape Research (RE11-1), and to discuss with the loadshape study subcommittee whether KEMA's contract could be extended to cover this work, or potentially use Steve Waite for this project.
    e. NEEP to revise the 2011 agenda and budget with feedback from the meeting, and obtain further comments by email before bringing the agenda and budget to the Steering Committee for approval in December.

F. Briefing on Other Forum Project Updates

There was not sufficient time to cover other Forum project updates in detail, so a brief update about several projects was provided. For more information, please view the meeting presentation.

Project A4 - NAESB
Julie Michals provided a status update about the NAESB project to develop wholesale energy efficiency M&V standards and retail energy efficiency M&V best practices. On the wholesale side, comments have been submitted on draft standards, and NEEP recommended several changes. NEEP and Steve Waite will participate in a NAESB call to discuss the draft standards on November 15. On the retail side, there have been some resource challenges that have slowed the process. The retail best practices will not be as prescriptive as the wholesale standards, and there will be an informal comment period for retail best practices soon.

Bill Saxonis asked for clarification about NEEP's role in the NAESB process.

Julie Michals stated that monitoring national EM&V activities is part of NEEP's Base Cost responsibilities. She is participating in the NAESB retail working group, and Elizabeth Titus is participating in the wholesale group. NEEP also provides updates about NAESB in the Forum's Monthly Update publications.

Carol White asked if NEEP can notify Forum participants of important NAESB meetings and distribute any NAESB draft materials where review/comment is needed. She asked about the relationship between the NAESB and SEE Action.

Julie Michals replied that she has encouraged NAESB to coordinate its efforts with SEE Action, but it has been challenging. Elizabeth Titus added that NEEP is working collaboratively with CEE on the NAESB efforts.

Project A5/PD5 – Mid-Atlantic TRM
Elizabeth Titus reported that there is a Mid-Atlantic TRM subcommittee meeting next week. She is requesting full participation since the meeting will address several important issues.

Project B2 – Commercial Lighting Measure Persistence
Elizabeth Titus stated that KEMA has recently modified the sample for this project again as two sponsors did not deliver the full planned sample. KEMA accommodated this change with grace, as they have other changes to the project.

Project RE1 – Incremental Cost and Project RE5 – Natural Gas Research
Julie Michals reported that the incremental cost (RE1) project has been combined with the natural gas research (RE5) project. Project subcommittee members will receive the gas proposal from Navigant next week, and NEEP will obtain written approval from project funders before awarding the contract to Navigant. For the 2010 natural gas project, NEEP was told that the gas companies would not fund the Forum, so they did not fund this project. Since the gas companies are now involved, NEEP needs direction from states about how gas companies should be involved in the Forum's 2011 activities, with regard to both participation and funding.

Future Meetings
Elizabeth Titus stated that the next Steering Committee meeting will be held in mid-December, and the next Project Committees meeting will be held in February. She asked Forum participants to contact NEEP if they have any conflicts in February.

Action Items:

8. NEEP to inform Forum participants of important NAESB meetings and distribute any NAESB draft materials where review/comment is needed.
9. States to provide NEEP with direction on gas companies' participation in and funding of the Forum in 2011.
10. The next quarterly Project Committees meeting will be held in February 2011. Forum participants to notify NEEP if there are conflicts during that time.