



**REGIONAL EVALUATION,
MEASUREMENT & VERIFICATION FORUM**

**Quarterly Steering Committee Meeting
March 25, 2011, Teleconference Notes and Action Items**

Participants:

Name	Organization
Cindy Jacobs	Connecticut Department of Public Utility Control
Dan Cleverdon	District of Columbia Public Service Commission
Rick Morgan	District of Columbia Public Service Commission
Dennis Hartline	Maryland Energy Administration
Crissy Godfrey	Maryland Public Service Commission
Mark Sylvia	Massachusetts Department of Energy Resources
Nancy Seidman	Massachusetts Department of Environmental Protection
Barry Perlmutter	Massachusetts Department of Public Utilities
Sue Coakley	NEEP
Cecily McChalicher	NEEP
Julie Michals	NEEP
Jim O'Reilly	NEEP
Elizabeth Titus	NEEP
Arthur Marin	NESCAUM
Clifton Below	New Hampshire Public Utilities Commission
Steven Keller	New York Department of Public Service
Bill Saxonis	New York Department of Public Service
Lisa Shea	NSTAR
Mary Cahill	NYPA
Helen Eisenfeld	NYPA
Rich Sedano	Regulatory Assistance Project
Paul Roberti	Rhode Island Public Utilities Commission
Pam Stonier	Vermont Public Service Board

**This meeting was digitally recorded*

Meeting Action Items:

1. Steering Committee members are invited to nominate themselves or others to the open Steering Committee co-chair role.
2. Steering Committee members to provide NEEP with feedback about the graphics that demonstrate the Forum's progress to date, and short and long term goals.
3. The Steering Committee adopted the *Glossary of Terms and Acronyms, Version 2*.



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4. NEEP to distribute information about becoming a member of NAESB to Forum participants.
 5. To address the potential 2011 budget shortfall due to Maine and Delaware funding uncertainties, the Steering Committee recommends the following course of action for Project Costs and Base Costs:
 - a. Project Costs:
 - i. Reduce each project's budget and modify the scope of work accordingly.
 - ii. If i. above is not sufficient, apply a portion of the Project RE11-3 (Add-On Research) budget towards project costs.
 - b. Base Costs:
 - i. Use surplus funds from current research projects (2010) if they are completed under budget to cover the shortfall.
 - ii. If i. above is not sufficient, defer the Annual Public Meeting until early in 2012.
 - iii. If i. and ii. above are still not sufficient, defer 2011 projects until later in the year to reduce the technical advisor budget.
 6. Steering Committee members to provide NEEP with feedback about the scope of the net savings project, per presentation material.
 7. Steering Committee members to provide NEEP with feedback about the Forum Evaluation, per outline presented in meeting.
 8. Steering Committee members are invited to participate in the Forum Evaluation project subcommittee. Please contact Julie Michals if interested at jmichals@neep.org.
 9. Steering Committee members to share any conflicts with NEEP regarding July 13 or 14 meeting dates.

Meeting Overview:

A. Introductions

Julie Michals (NEEP) opened the meeting and introduced the meeting attendees.

Rich Sedano (Regulatory Assistance Project) introduced the meeting agenda and objectives: 1) Forum Steering Committee and leadership updates, 2) Forum accomplishments and status, 3) Adopt the Forum *Glossary of EM&V Terms, Version 2*, 4) Update on national EM&V projects (SEE Action and NAESB), 5) Review 2011 funding status and project schedule, and 6) Review scope and budget of EM&V Forum Evaluation.

Julie Michals provided information about Forum leadership. Rich Sedano is the only Steering Committee co-chair at this time, as former co-chair Tim Woolf has left the Massachusetts DPU. Forum staff is working to bring a new Steering Committee co-chair on board. Rich invited Steering Committee members to nominate themselves or others to the open Steering Committee co-chair role.

Julie Michals introduced the new Project Committee co-chairs: Lisa Shea, NSTAR; Tom Belair, PSNH; and Crissy Godfrey, Maryland PSC. The new co-chairs join the co-chairs who have served for the past six months: Helen Eisenfeld and Mary Cahill, NYPA; Dave Jacobson, National Grid; and Pam Stonier, Vermont PSB. The co-chairs include a mix of program administrators and Commission staff from throughout the Forum region.

Julie Michals shared the current composition of the Steering Committee, and welcomed new Steering Committee members from Massachusetts: Jollette Westbrook, Commissioner of the Massachusetts DPU, and Mark Sylvia, Commissioner of the Massachusetts DOER.

Julie Michals presented a graphic showing the Forum's progress to date. She explained that the next quarterly newsletter will include similar graphics that show how the Forum is moving towards achieving its value proposition. They are intended to help Forum participants and others more fully understand

what the short and long term goals of the Forum are. Steering Committee members are invited to provide NEEP with feedback about the graphics.

Action Items:

1. Steering Committee members are invited to nominate themselves or others to the open Steering Committee co-chair role.
2. Steering Committee members to provide NEEP with feedback about the graphics that demonstrate the Forum's progress to date, and short and long term goals.

B. Completed Forum Products and Updates on their Use

Julie Michals reviewed the Forum projects that are now available and posted on the Forum website:

- Common EM&V Methods and Savings Assumptions Guidelines
- Glossary of Terms and Acronyms
- Mid-Atlantic Technical Reference Manual
- Common Statewide Energy Efficiency Reporting Guidelines

Julie Michals explained that results from research products are forthcoming in May and June, including the Unitary HVAC and Commercial Lighting Loadshape studies, the Incremental Cost study, and the C&I Lighting Measure Persistence study. Forum staff encourages the use and referencing of these Forum projects.

Julie Michals shared the instances where Forum staff is aware that Forum products are being used and referenced. In the northeast/mid-Atlantic region, 1) the District of Columbia cited Forum work in its RFP for an SEU contractor, 2) the mid-Atlantic TRM is being used in Maryland, DC, and Delaware, 3) the New York EAG held a meeting to discuss updating evaluation guidelines and included discussion of Forum products, and 4) ISO-NE built its energy efficiency data collection spreadsheet from the Common Reporting Guidelines tables and definitions. Forum staff is reaching out to ISO-NE to discuss the opportunity for integrating ISO-NE's EE data needs with the Common Online EE Reporting Tool that the Forum will be developing this year, and will invite ISO staff to participate in the project subcommittee.

Julie Michals explained that outside the region, Forum products have been used or referenced in: 1) the NAESB M&V efforts, particularly on the retail side, 2) the US DOE/EPA SEE Action EM&V project, 3) by California Energy Commission staff who inquired about the Forum's Common Reporting Guidelines and underlying definitions, and 4) the Midwest Energy Efficiency Alliance, which is looking at the Forum as a model for a potential Midwest region collaboration.

Julie Michals reported that two 2011 Forum projects have been completed, an update to the Mid-Atlantic TRM, and the Glossary of Terms and Acronyms, Version 2. She explained that Maryland, DC and Delaware participated in the Mid-Atlantic TRM update project. This project was fast tracked due to regulatory needs and was completed on March 18.

Julie Michals shared that the Glossary of Terms and Acronyms, Version 2 incorporates about sixty new terms from other Forum projects that were recently completed. This update effort was guided by a subcommittee, and followed the standard process of Forum participant and then Steering Committee review. The Steering Committee is being asked to adopt this product at this time.

Rich Sedano reviewed the criteria to adopt a Forum product:

1. The Forum product is reviewed and recommended by the relevant Forum Project Committee through a transparent and timely process based on consensus (per Operational Guidelines).
2. The Forum product, if ultimately adopted and practiced by the states, serves the Forum goals and objectives to:

Increase consistency in EM&V practices
Reduce EM&V costs for the states
Help to improve the credibility of energy efficiency resources

By recommending adoption of Forum products, the Steering Committee: encourages that products be used or implemented by and in the participating Forum states; and acknowledges the criteria for adopting the Forum products.

Rick Morgan (District of Columbia PSC) moved to adopt the Glossary of Terms and Acronyms, Version 2.

Dennis Hartline (Maryland Energy Administration) and Clifton Below (New Hampshire PUC) seconded the motion.

Rich Sedano asked if anyone is opposed to adopting the Glossary of Terms and Acronyms, Version 2 as a Forum product. No objections were raised, and he confirmed that the Glossary is adopted. He asked anyone who might have residual concerns to contact Forum staff and thanked the staff and subcommittee that worked on this project.

Julie Michals stated that the Glossary is an important step to meeting Forum goals and has been referenced around the country. She encouraged all states in the region to use the Glossary definitions in their own policies and practices.

Action Item:

3. The Steering Committee adopted the *Glossary of Terms and Acronyms, Version 2*.

C. National EM&V Activities - Update on Interface with Forum Activities

Elizabeth Titus (NEEP) provided an overview of NAESB. She noted that the northeast and energy efficiency stakeholders in general are underrepresented in the NAESB membership. She explained that Forum staff has been participating in two working groups, wholesale EE M&V standards and retail EE M&V standards/best practices. The wholesale standards went through a working group process and were voted on in a NAESB Executive Committee meeting on March 21. There was a large Forum-led effort to remove/modify a superfluous equipment specification pertaining to proxy variable measurement accuracy that was unsuccessful. The Forum will follow up and provide comments if the standards are proposed as a basis for a future FERC protocol.

Elizabeth Titus explained that the NAESB retail working group is not as far along in the process, but that underrepresentation of the northeast and energy efficiency stakeholders in NAESB is of concern for this group also. That said, NEEP is engaged in the process on behalf of Forum members.

Pam Stonier stated that NAESB's President, Rae McQuade, is interested in energy efficiency stakeholders joining the NAESB efforts to develop national standards on the retail side. Vermont has not joined NAESB because they thought it would cost too much, but she recently discovered that voting membership is free for regulatory agencies (NARUC members). She has forwarded information about how to sign up with NAESB to Elizabeth Titus. Elizabeth Titus thanked Pam Stonier for her efforts and will provide additional information to Forum participants about joining NAESB.

Julie Michals provided an overview of the SEE Action EM&V project, which is a follow on to NAPEE and is addressing similar issues as NAESB. Its goal is to: transform EM&V to yield more accurate, credible, and timely results that accelerate successful energy efficiency deployment and management. Strategic pathways and actions to meet SEE Action's goal include: 1) develop a foundation for improving credibility and cross-jurisdiction comparability, 2) explore new methods to address emerging issues and technologies, and 3) build capacity and increase adoption of best practices. The SEE Action goal and strategic pathways are very close to what the Forum is doing on a regional level.

Sue Coakley (NEEP) added that NEEP is making a significant investment of staff time in these national EM&V processes, as it is important to make sure that Forum products are being integrated into the national efforts.

Bill Saxonis (New York DPS) said he appreciates NEEP's effort to track and participate in national EM&V efforts. He would like NEEP to give Forum participants direction and point out where any state involvement in the national processes would be helpful, as it is very time consuming to engage in these national efforts.

Julie Michals stated that she would like Steering Committee members to consider if there should be US DOE and/or EPA representation on the Steering Committee. US DOE is providing base funding to the Forum through the end of this year as part of a three year grant, and NEEP will ask them to continue funding base costs in 2012. It may be appropriate for US DOE to have an advisory role on the Forum Steering Committee rather than serving as a voting member. This issue may be addressed as part of the formal Forum Evaluation this spring.

Action Item:

4. NEEP to distribute information about becoming a member of NAESB to Forum participants.

D. Review and Update on 2011 Project Agenda/Budget

Julie Michals provided information about the reduced 2011 Option B agenda that was adopted by the Steering Committee in December 2010. The projects that will be conducted in 2011 are:

- PD11-1: Emerging Technologies Savings Assumptions
- PD11-3: Statewide EE Reporting Guidelines Implementation
- PD11-5: Mid-Atlantic TRM Phase 3
- RE11-1: Loadshape Research Phase 3
- RE11-3: Add-on Research (to support continued 2010 research)
- 2010 PD1: Net Savings (carry over from 2010)

The RE11-2: Estimate EE Impact on Building Codes and Standards may also be conducted this year and will be funded fully by US DOE if it moves forward.

Julie Michals reported that all states except Delaware, Maine, Maryland, and New York have confirmed Forum funding for 2011. The highest uncertainties lie with Delaware and Maine.

For Delaware, NEEP has not been able to reach its contacts in Delaware over the past couple of months despite numerous attempts. Delaware indicated in early January that funding was uncertain. For now, NEEP is assuming that Delaware will not participate in or fund the Forum this year.

For Maine, the Efficiency Maine Trust Board approved a Forum budget that is 55% lower than the Maine cost share in the approved Forum budget. NEEP has discussed this issue with Commissioner Littell, and hopes to soon discuss and better understand the circumstances from the Director of Efficiency Maine Trust. It is unclear if the decision can be reversed. The Maine PUC is supportive of the Forum, but they do not approve the details of the budget.

For Maryland, there is Forum funding from the Maryland Energy Administration through June, but a shortfall of about \$200,000 through the end of the year. There will soon be a proceeding at the Maryland Commission for the shortfall to be funded by the Maryland utilities. Commissioner Larry Brenner will be resigning from the Steering Committee based on a concern of a conflict of interest related to the proceeding. Crissy Godfrey, PSC staff and Project Committees co-chair, will continue to be on the Steering Committee and bring the Maryland Commission's perspective.

For New York, a formal process is underway to obtain New York DPS approval of Forum funding. This process will likely be finalized in the mid-April timeframe.

Julie Michals noted that NEEP will keep the Steering Committee informed of any developments regarding the above funding uncertainties. She explained that the goal is to roll out the 2011 projects with minimal disruption, but the Steering Committee needs to consider options of how to address the potential shortfall in base costs and project costs. In total, there is a potential \$122,000 shortfall from Maine and Delaware.

Sue Coakley explained the options for dealing with the potential budget shortfall. The options for project costs are: 1) lower the budget for each project and reduce the scope of work accordingly, or 2) use a portion of the RE11-3 Add-on Research project budget to cover the other projects. The options for base costs are to: 1) reallocate some of the RE11-3 budget to base costs, 2) delay several projects to reduce the technical advisor budget, 3) postpone the Annual Public Meeting to early 2012, or 4) a combination of the first three options.

Clifton Below asked how much savings would be produced by delaying projects and reducing the technical advisor budget. Julie Michals replied that this would produce \$20,000 in savings at most.

Barry Perlmutter (Massachusetts DPU) asked for more information about the benefits of the Annual Public Meeting. Sue Coakley replied that making sure Forum products are understood by the larger community and having a broader, more public, discussion about the Forum is very important.

Pam Stonier added that the implementation of Forum products is very important, and the Annual Public Meeting plays a strong role in helping with product implementation.

Julie Michals added that the Annual Public Meeting provides an opportunity for face to face time with people. The meeting has been moved around the region, and this year it will likely be in New York. She stated that the cost of the Annual Public Meeting is \$54,000 but only about \$15,000 is direct costs.

Clifton Below asked if there is a surplus from 2010 that could be applied to cover the shortfall. He proposed that any surplus from 2010 should go towards 2011 base costs. He added that delaying the Annual Public Meeting to 2012 may make sense if there will be significant results from Forum products early next year. He would like to look to several sources to cover the potential shortfall rather than only raiding the budget for RE11-3.

Julie Michals replied that there is not a surplus for base costs from 2010, but the Incremental Cost project and the Net Savings project may be completed for less than the budgeted amounts. We should know the budget situation for these two projects by July.

After some discussion, the Steering Committee decided that for project costs, NEEP should reduce each project's budget and modify the scope of work accordingly, and if that is not sufficient, apply a portion of the Project RE11-3 (Add-On Research) budget towards project costs. For base costs, the Steering Committee decided to use surplus funds from 2010 research projects if they are completed under budget to cover the shortfall, and if that is not sufficient, defer the Annual Public Meeting until early in 2012. If the first two steps still are not sufficient, NEEP should defer 2011 projects until later in the year to reduce the technical advisor budget.

Rick Morgan asked for and received confirmation from Sue Coakley that NEEP staff supports this proposal.

Julie Michals showed the schedule for conducting the 2011 projects. Several 2011 projects are underway, and others will begin in Q2 and Q3 of 2011.

Julie Michals provided an overview of Project PD11-3: Common EE Reporting Guidelines Implementation Support. The draft SOW has been reviewed by the subcommittee. There are two key tasks: 1) develop and test the online reporting tool, and 2) provide technical support to the states to use the tool. The RFP will be issued as soon as LBNL/DOE funding is secured. NEEP is also talking to US EPA about potentially funding part of this project as it relates to air quality/regulator needs.

Arthur Marin (NESCAUM) said that the primary interest in this project from the air quality side is quantifying the benefits of energy efficiency for criteria pollutant reductions. He added that the Clean Air Act requires states to meet a higher bar as far as demonstrating the benefits of energy efficiency programs in reducing criteria pollutants.

Nancy Seidman (Massachusetts DEP) added that a separate issue is for the RGGI states to develop a consistent quantification methodology for reporting gains from energy efficiency. US EPA's involvement in these issues is under pressure by Congress, and there is concern about how much work EPA will be able to do on greenhouse gases going forward.

Julie Michals stated that there have been discussions with the Regulatory Assistance Project about creating a consistent methodology for calculating avoided greenhouse gas emissions from energy efficiency. One topic to explore with stakeholders is if there could be a built-in calculator in the reporting tool to support this effort. She added that we hope to give a preview of the tool design at the July Steering Committee meeting.

Rick Morgan stated that he has some technical contacts at EPA who should be included in discussions about this project. He will follow up with Julie Michals offline.

Elizabeth Titus provided an overview of the Net Savings project. She explained that one main finding of Net Savings Scoping Paper, which was completed last fall, was that there was no policy direction that would push states to change what they are currently doing with respect to net savings. Based on this finding, NEEP took this issue to the Forum's Policy Committee, and they supported moving towards common definitions and addressing high level policy issues.

Elizabeth Titus explained that NEEP has developed a draft SOW based on Policy Committee feedback that the net savings subcommittee recently reviewed. The draft SOW includes three tasks: 1) develop common definitions for adjusted gross savings and net savings (behavioral parameters), 2) develop a framework for a common net savings methodology, and 3) conduct policy research. The subcommittee supported Tasks 1 and 3 and would like to further discuss and consider Task 2. She welcomed feedback from Steering Committee members via phone or email about the draft SOW.

Sue Coakley added that NEEP is also developing a residential lighting strategy that will be presented this summer, and this strategy will touch on net savings and regulatory issues.

Action Items:

5. To address the potential 2011 budget shortfall due to Maine and Delaware funding uncertainties, the Steering Committee recommends the following course of action for Project Costs and Base Costs:
 - a. Project Costs:
 - i. Reduce each project's budget and modify the scope of work accordingly.
 - ii. If i. above is not sufficient, apply a portion of the Project RE11-3 (Add-On Research) budget towards project costs.
 - b. Base Costs:

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- i. Use surplus funds from current research projects (2010) if they are completed under budget to cover the shortfall.
 - ii. If i. above is not sufficient, defer the Annual Public Meeting until early in 2012.
 - iii. If i. and ii. above are still not sufficient, defer 2011 projects until later in the year to reduce the technical advisor budget.
 6. Steering Committee members to provide NEEP with feedback about the scope of the net savings project, per presentation material.

E. Evaluation of the Regional EM&V Forum - What Next?

Julie Michals explained that the purpose of the Forum Evaluation is to document the Forum's progress, examine its scope, and develop recommendations about the future of the Forum. NEEP will bring findings from the Evaluation to the next quarterly Steering Committee meeting in July. The estimated budget for this project is \$45,000. In an earlier call, the Project Committee co-chairs expressed concern about whether this budget is large enough. The \$45,000 is based on what the Forum's feasibility study roughly cost in 2008.

Rich Sedano introduced the draft outline of the Evaluation. He stated that the Forum is plowing new ground and is a creative activity. Particularly in light of funding uncertainty in several states, the Evaluation will be useful for all states to help clarify what value there is in the Forum continuing.

Barry Perlmutter questioned whether the proposed timeframe is sufficient to complete the project.

Julie Michals agreed that it is a tight timeframe, but there are two main reasons that this schedule is important to maintain: 1) the evaluation should not go far into the summer months because it is hard to reach people in the summer vacation season, and 2) results are needed by mid-summer in order to know what shape the 2012 planning process will take. She added that we are not starting from scratch since we will draw on the Forum feasibility study for guidance.

Clifton Below stated the feasibility of the schedule is a function of vendor availability. We will not want to preclude the right vendor if they are not available in that particular timeline. He suggested that the RFP could express a strong interest in this timeframe but provide some flexibility. He added that the budget seems reasonable for the scope of the project.

Julie Michals suggested that we could ask NMR Group, Inc., the same vendor that did the Forum feasibility study, if they could do the project in the proposed timeframe. Lisa Shea (NSTAR) suggested that we do not sole source the project to NMR Group since they are busy in Massachusetts, and it is a tight timeframe given the schedule for annual reports. She would support the RFP process rather than a sole source approach.

Sue Coakley said that if it is not possible to have a draft report by mid-June, we could use the MACRUC and NECPUC meetings in June as opportunities for interviews to help inform the evaluation. We could work towards having an initial draft report by July 7 to present to the Steering Committee at its July 14 meeting.

Rich Sedano asked if Steering Committee members are comfortable with the content of the scope of work. No comments or questions were raised.

Julie Michals asked for feedback from Steering Committee members about the evaluation via phone or email and invited Steering Committee members to participate on the project subcommittee.

Action Items:



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7. Steering Committee members to provide NEEP with feedback about the Forum Evaluation, per outline presented in meeting.
 8. Steering Committee members are invited to participate in the Forum Evaluation project subcommittee. Please contact Julie Michals if interested at jmichals@neep.org.

F. Review Action Items and 2011 Steering Committee Meeting Schedule

Julie Michals reviewed the schedule for upcoming meetings. On May 4, NEEP will hold a State Evaluation Activities webinar, at which states will present their recently completed, current and planned evaluation studies. The next Steering Committee meeting is tentatively scheduled for July 14. Steering Committee members were asked to contact NEEP if they have a conflict with that date. The Annual Public Meeting was initially scheduled for this fall, but may change to early 2012 given the situation with Forum base costs. The NEEP Summit will be held June 7-8 in Warwick, RI, and Commissioner Roberti is a Summit co-chair.

A Steering Committee member mentioned that the National Town Meeting on Demand Response is scheduled for July 13 and 14 and may conflict with the proposed Steering Committee meeting.

Julie Michals showed some of the resources available on the Forum website, including the Forum project tracking spreadsheets and then closed the meeting.

Action Item:

9. Steering Committee members to share any conflicts with NEEP regarding July 13 or 14 meeting dates.