



REGIONAL EVALUATION, MEASUREMENT & VERIFICATION FORUM

Steering Committee Quarterly Meeting
June 19, 2009 1:00pm - 3:00pm Conference Call
Notes and Action Items
(Submitted July 2009)

Participating Steering Committee Members and Representatives:

Name	Agency/Company	Name	Agency Company
Below, Clifton	NH PUC Commissioner	Seidman, Nancy	MA DEP Director
Betkoski, Jack	CT DPUC Commissioner	Sherman, Mike*	MA DOER staff
Cherry, Phil	DE DNREC Commissioner	Stonier, Pam	CT PSB staff
Engel, Victoria	NYSERDA	Timmerman, Calvin	MD PSC
Godfrey, Crissy	MD PUC	Townsley, Mike	NY PSC staff
Jacobs, Cindy	CT PUC	Volz, Jim	VT PSB Commissioner
Morgan, Rick	DC PSC Commissioner	Vrabel, Tim	ME PUC staff
Mulholland, Denise	US EPA	White, Carol*	ME PUC staff
Neme, Chris *	Efficiency Vermont	Wolf, Tim	MA DPU Commissioner
Pakenas, Larry	NYSERDA	Michals, Julie	NEEP
Reishus, Sharon (co-chair)	ME PUC Commissioner	Coakley, Sue	NEEP
Ross, Marilyn	MA DPU	Titus, Elizabeth	NEEP
Sedano, Rich (co-chair)	RAP	Myers Vivian	NEEP

* Forum Project Committee co-chairs

A. Action Items

1. NEEP to contact Steering Committee members, as needed, to assist with securing Forum funding commitments.
2. Annual Public Meeting agenda - Steering Committee to provide any additional comments by June 26. Meanwhile, NEEP will revise agenda by reducing content (allow for more networking) and presenting topics from perspective of Forum needs.
3. NEEP to make changes to Forum Operational Guidelines, per consensus decision on language amendment regarding decision making process.
4. Forum Confidentiality Policy - Steering Committee to submit any additional comments by June 26. NEEP to add information on processes for making Forum products/data publically available as part of scope and procedures.
5. Access to Existing EE data/studies - NEEP to survey existing practice/procedures for filing of EE studies/data by each state, and based on findings, make best practice recommendation to Steering Committee for consideration
6. Net Savings - NEEP to stay on track on addressing net savings issue as part of scoping project and bring discussion to Annual Public Meeting. Steering Committee to help guide finding solutions to net savings challenges.
7. NEEP to reach out to VA, PA and OH. Rich Sedano to provide contacts (VA, OH) and Rick Morgan to touch base with PA.
8. NEEP to invite consumer advocates to participate in the Forum.

The meeting commenced at 1:07

Julie Michals opened the meeting with introductions, and Sharon Reishus reviewed the agenda items and meeting objectives.

B. Update on Forum Projects/Activities

Forum Funding

Julie Michals reviewed the state participation and funding confirmations as well as the status and improvements in current processes as needed. NEEP has learned from planning process that flexibility in being able to move budgets around would be an improvement in process. Similarly, a multi-year time frame for funding commitments has proven helpful. For next round, we hope to consider some of these lessons learned and increase efficiency of process. Julie noted that Maryland (MEA and PSC) are in discussions to finalize Forum funding.

Requests for purchase orders and/or invoices have been issued by the NEEP in the past two months, and NEEP requested assistance from the Steering Committee, where needed, to ensure funders respond to NEEP requests in the interest of keeping Forum projects on schedule.

Forum Projects

Julie Michals reported that the Forum Annual Public Meeting is scheduled for Sept 16, 2009 (Providence RI), the goals of which, as reflected in the Forum 3-Year Plan, are to increase the understanding of Forum projects, networking, improve understanding and communication between stakeholder groups (air regulators, RTO staff, and program administrators) to inform future agendas, educate participants on national efforts, and provide outreach to potential subscribers. Julie invited Steering Committee participation, and indicated she would be reaching out to some Steering Committee members to participate on panels.

Discussion: Jim Volz noted he could not make the meeting due to hearings that week, but may be able to have staff attend in his place. Chris Neme advised that the agenda was too packed to allow adequate networking and info exchange - he suggested NEEP consider adding more time for networking. He also suggested that the focus be more on Forum itself - where it has been and recommended directions.

Clifton Below suggested we consider including emerging issues on the agenda, which has been discussed in recent RGGI meetings on offset programs, and elsewhere. One category is non-electrical multi-fuel savings, e.g. heating oil. It is apparent that RGGI has a need to look at M&V for offset programs for multi-fuel EE offsets. Also, stimulus dollars have accountability provisions. Commission administers GHG reduction fund. Carbon Solutions for New England will oversee how we look at EE results across all fuels, and what are carbon reduction savings from these programs?

Julie noted that the Forum Project A2 is highly relevant to the multi-fuel issue, which will be addressed at the public meeting, and took under advisement to expand networking time to ½ hour. Additional comments on the draft meeting agenda were requested by June 26, 2009.

With regard to Forum projects, Julie indicated that RFPs have been issued for Projects A2 (Develop Common EM&V Methods and Survey Savings Assumptions) and B2 (Commercial Lighting Measure Life and Persistence Study), and Project B1 (Loadshape Study) Phase 1 was near complete with Phase 2 RFP (primary data collection) in initial stages of development. In terms of Education & Info Access Committee activities, the Forum will be issuing its first newsletter end of June, and the Info Access Committee has met and is working on projects including advising the Annual Public meeting agenda and speakers, and the Forum's Confidentiality Policy.

Action Items:

- #1: NEEP to contact Steering Committee members, as needed, to assist with securing Forum funding commitments.
- #2: Annual Public Meeting draft agenda - Steering Committee to provide any additional comments by June 26. NEEP will revise agenda by reducing content (allow for more networking) and presenting topics from perspective of Forum needs.

C. Forum Operational Guidelines

Project Committees/Subcommittees Decision Making Process - Amendment to Operational Guidelines

Julie presented proposed changes to the Forum Operational Guidelines as follows (change underlined below):

Section 6f) Decision Making: The Project Committee Co-Chairs ... [with NEEP] will determine what requires a Project Committee decision. Certain issues, as identified and deemed appropriate by the Project Committee Co-chairs, shall be resolved by each project Subcommittees.

Recommendations and/or decisions for Steering Committee consideration shall be made through a consensus process of a quorum (Section 6.f.), where possible, by Participants on the Project Committees. Where consensus is not attained, the Project Committee co-chairs shall bring the recommendation and dissenting Participant positions to the Steering Committee for consideration and resolution.

It was explained that amending the Forum Operational Guidelines as stated will assist the Forum in the decision making process. The Forum needs to know which issues can be resolved at subcommittee, project committee and steering committee levels.

At the request of Carol White, Project Committees co-chair, Julie provided an example of the impetus for this amendment and how it would improve decision making. The example provided was in regard to Project A2 subcommittee, which developed an RFP that included a budget. When presented to the broader Project Committees at the May quarterly meeting, there was disagreement among participants about inclusion of the budget from the RFP. The question of who decides whether to include the budget amount in the RFP was raised. While it appeared after much discussion that a consensus was reached at the meeting to withhold the budget from the RFP, subsequent discussions indicate there was not clear consensus. Carol White agreed that the project subcommittees should have more say on this issue, and supported the amendment.

A vote was called by Sharon Reishus on the proposed amendment, with a quorum present on the phone. Hearing no objections, Sharon Reishus stated that consensus was reached and the recommendation was adopted by the Steering Committee.

Confidentiality Policy

Julie Michals stated this policy was developed with input from the Education and Information Access Committee, and builds onto the Forum Operational Guidelines confidentiality policy section, in order to clearly guide Forum operations with regard to protecting confidential and market sensitive information. Julie indicated that NEEP is not seeking approval by the Steering Committee for the policy per se (given the Committee approved the Operational Guidelines) but rather is informing the Committee that the policies details are being developed with project committee direction.

Discussion: Julie noted, on behalf of Tim Woolf (not present on phone) that Tim requested clarification for the definition of the term "market sensitive." Julie invited other comments from Steering Committee members. Chris Neme asked what the process is for making materials as readily available to the public as possible. He noted that the policy does a good job of laying out kinds of things to treat as confidential, and processes to put in place, but that it would be equally valuable to

put a process in place to enable public accessibility of information. Julie stated that there is language included in the RFP's telling contractors they must provide data electronically and the Forum is building a library of EM&V resources, including studies and evaluations. Chris suggested it would be helpful to add information about the library, and the Forum communication plan to this policy. Chris added that one can look at the issue from two perspectives - Defensive: what are the things we want to keep in place to keep confidential information private? What are we doing to keep information that isn't confidential accessible in the market place? The policy is missing a little more about the latter. Julie Michals stated that we can put this in the confidentiality policy, including statements to make information available in RFP and reference to the Forum library, and other communications activities regarding public access to Forum products. Chris Neme asked who signs confidentiality agreement but said he could take the answer off line. Julie Michals asked that any additional comments regarding the confidentiality policy be sent to her by June 26, 2009.

Action Items

- #3: NEEP to make changes to Forum Operational Guidelines, per consensus decision on language amendment regarding decision making process.
- #4: Forum Confidentiality Policy - Steering Committee to submit any additional comments by June 26. NEEP to add information on processes for making Forum products/data publically available as part of scope and procedures.

D. Access to Existing Energy Efficiency Data/Studies

Julie Michals generally reviewed the range of current practices for submitting EE studies and noted that while there is good faith effort to share information in many cases, the Forum has experienced challenges to accessing data that can be perceived as barriers.

Discussion: Elizabeth Titus provided an example in the context of the Forum Loadshape Phase I study which involved collected a catalog of studies. KEMA (the contractor) identified a whole bunch of studies but it is unclear which are publicly available or not. NEEP is looking for guidance from the Steering Committee as to whether it would be helpful to find out if different states have different policies about access to EE related studies. Sue Coakley commented that policies across states are all over the map.

Julie Michals asked if it would be helpful to develop best practices? Larry Pakenas asked what would be the outcome of this process and would people be persuaded to change procedures. Whatever policy is in place, the next step is making studies available, and that may be a function of staff resources. Clifton Below noted that the policy in NH is ad-hoc with two categories: studies commissioned by the state (presumptive that the information is available); and if contracted by regulated utilities, then there is a different policy. Best practices would be helpful. Sharon Reishus said that she is unsure what the policy is in Maine. She recommended best practices or common policies would be very helpful. A survey of states current practices/policies would be helpful, as would development of a recommended best practice. Sue Coakley suggested that we inform commissioners of what the practices are, and then develop consistencies across states.

Larry Pakenas noted there may be differences between what form the data is in and what form it is needed in. While we may have best intentions putting into practice we may have other barriers. Elizabeth Titus suggested looking at this going forward and looking backwards at our experiences. Sue Coakley noted that best practice would include what is available but also how to make it available. Elizabeth added that retrospectively accessing studies and data could be very time consuming.

Action Item:

- #5: NEEP to survey existing practice/procedures for filing of EE studies/data by each state, and based on findings, make best practice recommendation to Steering Committee for consideration.

E. National Action Plan on Energy Efficiency EM&V Project

Julie Michals introduced Denise Mulholland, Senior Program Manager at US EPA and facilitator of the NAPEE EM&V Project.

Denise Mulholland provided an overview of the NAPEE EM&V project, identified by the NAPEE 2009 leadership group as a priority project for 2009. The project is lead by an EM&V Technical expert group, and co-chaired by Dian Grueneich, Diane Munns, and Phil Guidice.

Started in spring of 2009, the project consists of three phases, with three objectives: 1) determine if current EM&V methods work, 2) explore and develop EM&V approaches, and 3) lay groundwork for developing possible national EM&V methods/standards. The project is looking at key states at a high level (not at the detailed level like the Regional EM&V Forum). From EPA perspective, very helpful to know what Regional EM&V Forum is doing, and EPA envisions an interactive process. Phase I of the project is expected to begin Nov. 2009, Phase II in 2010, and Phase III in 2011.

Discussion: Clifton Below noted the need to look across utility programs and to consider building codes. Nancy Seidman asked what is DOE's role in the project, and how will EPA address non-energy benefits of EE and related programs (there is so much to do on M&V and methods that pollutant impacts get pushed out, but environmental organizations need more immediate attention to standardized methodologies). Denise indicated the NAPEE project is facilitated by both EPA and DOE (project is funded by DOE). The project work plan and identification of priorities will include looking at non-energy benefits of EE. She further noted that environmental impacts need detailed data, and this reflects a balancing act between top down, high level and detailed information. Julie Michals stated that the Forum is undertaking Project A3 this year to Develop Common Reporting Guidelines that emphasizes what air/environmental regulators need for data. NEEP will coordinate this project with EPA's NAPEE project.

Chris Neme said while there is value in consistency in many cases, there are times when consistency is not recommended. How is the NAPEE project planning to address different situations? Denise Mulholland responded that the project is beginning with developing a matrix of key users and reasons for EM&V methods, and will proceed by choosing one or more EM&V element based on group consensus of importance for consistency in this "new world" and in which group is well-positioned to engage on. Chris Neme cautioned to be careful about coming up with an answer.

Julie Michals noted that the Forum project A2: Develop Common EM&V Methods and Surveying Savings Assumptions, will be coordinating with the NAPEE project

Net Savings Discussion

Rich Sedano introduced the topic of "net savings" and inquired how this issue is faring in your states in terms of urgency. Carol White responded that there is concern that EE providers can measure net impacts well, and concern that it puts public policy at risk if it draws attention away from other priorities. Mike Townsley commented there will still be a need to measure net savings, and recommends creatively finding ways to focus on incremental value of ratepayer investments. One fruitful area would be to better and more consistently establish baselines with a regional basis. Clifton Below noted that intrinsically net savings will always be legitimate policy questions. Julie Michals explained that the scope of work for Forum Project A2 includes a review of net savings policies but does not intend to make a recommendation on common measurement methods as the issue will be addressed more fully in a separate scoping paper project.

Rich Sedano asked how we can find ways to ensure we are not over or under incentivizing. Calvin Timmerman noted the paradox is we want cost-effective programs, yet in Maryland the statewide programs to EmPower Maryland goals are interested in gross, and thus we need to find a bridge. Rich Sedano stated those states with EE resource targets have a different perspective and suggested using a steering group to dig deeper into this issue. Rich added that when looking at so many different messages affecting customer's behaviors/practices, it becomes complicated to determine the efficacy

of EE programs. The framework that people are wondering about are do we continue doing what we have been doing or focus on measuring gross savings, given savings that can be affected by ESCO, society, and net savings are increasingly hard to measure.

Clifton Below stated all this makes sense, and another dimension to consider is the new international EE code (e.g., addressing duct air sealing test). The DOE is developing a work scope to determine compliance with the code, and NH is trying to address synergies. It would be helpful to consider cross benefits between building codes and EE.

Net Savings Background

Elizabeth Titus presented a few slides with background information on net savings to inform future discussions. She opened by noting that states define net savings differently in this region and others. Further, for the purposes of the ISO New England Forward Capacity Market, a decision was made by the NECPUC commissioners to report gross savings, given the challenge of measuring net savings and limited data. Due to a host of challenges (see slides), the Forum is proposing there may be a need for new paradigms or exploring new analytical methods.

Discussion: Rich Sedano inquired how urgent an issue is net savings: low, moderate or high? Carol White stated she is particularly concerned with the ability to get a handle on net savings because of so many challenges, and focusing on this too much takes away from getting high level of over all savings. We should try to move forward with policies that get the greatest good.

Mike Townsley stated there is still going to be a big interest determining the value of EE programs. There are a lot of rate pressures out there, and we need to creatively find ways to focus on the incremental values of these investments. Mike fully appreciates the challenge of having to attribute the savings, and recommends a better way is to focus on determining baselines. Clifton Below tends to agree, but it is hard to get your arms around additionality. Rich Sedano noted that challenge is determining if we are under or over subsidizing incentives. Calvin Timmerman noted the paradox is that we want desperately for our programs to be cost effective. On the other hand we have statewide savings targets that don't care how we got the savings.

Action Item

#6: NEEP to stay on track on addressing net savings issue as part of scoping project and bring discussion to Annual Public Meeting in September. Steering Committee to help guide finding solutions to net savings challenges.

F. EM&V Forum 2010 Project Agenda

2010 Forum Objectives - Review of preliminary projects under consideration

Julie Michals opened the discussion by describing the process for how the 2010 agenda will be developed. NEEP is starting with a preliminary list of projects based on the Forum 3-Year Plan, possible subsequent phases to 2009 projects, and informal stakeholder input. Based on this, NEEP is developing a formal survey to obtain input from the Project Committees, and will bring a proposed plan to the Steering Committee in October for consideration and adoption. Objectives continue to focus on developing consistent EM&V protocols for measuring and tracking EE savings impacts, including costs and emissions, and addressing data needs where regional studies make sense.

Discussion: Rick Morgan asked what are the prospects of bringing other states into the Forum. Julie responded that NEEP was in touch with Pennsylvania PUC staff in late 2008, at which time there was interest in the Forum but not for 2009 participation. NEEP plans to follow up this year regarding 2010 participation. Rick Morgan noted that he'll see Commissioners at MACRUC, and Rich Sedano noted VA and OH may be interested in learning more about the Forum and/or Forum participations. Julie will follow up with Rick and Rich on contact info.

Sue Coakley noted that consumer advocates is another perspective that NEEP is thinking should be incorporated into Forum stakeholder group. What does Steering Committee think? Rich Sedano responded that consumer advocates are always interested but also busy, and so offering to include them is positive, and at a minimum make them aware. Rick Morgan agreed.

Action Items

#7: NEEP to reach out to VA, PA and OH. Rich Sedano to provide contacts (VA, OH) and Rick Morgan to touch base with PA regarding interest in Forum participation.

#8: NEEP to invite consumer advocates to participate in the Forum.

G. Action Items and Next Steps

Julie Michals reviewed the action items, and also provide a brief update on the Steering Committee co-chair positions and terms. She indicated that while co-chairs terms are one-year positions (1st terms began in July 2008), because the Forum projects have taken time to launch in 2009 both Sharon Reishus and Rich Sedano and have agreed to stay on as co-chairs until 1st quarter of 2010. The next Steering Committee 3rd quarterly meeting will be scheduled for late October or early November 2009, at which time new co-chair positions will be assigned.

NEEP will send out the action items shortly and meeting minutes will follow, and will survey Steering Committee member availability for a late October quarterly meeting.

H. Adjourn

The conference call was adjourned at 3:04 pm.