



*Working to Expand and Promote Energy Efficiency*

*Program Administrators Presentation to the  
Energy Policy Review Commission*

*April 3, 2013*



# History of Success

- Since 1980's Massachusetts energy efficiency programs have been recognized for high quality design and service delivery to customers
- Results of first Three-Year Statewide Energy Efficiency Plan 2010-2012\* **demonstrates significant achievement of goals**

YEAR	ELECTRIC Annual MWh	GAS Annual Therms
2010	98%	103%
2011	91%	84%
2012	91%	99%

(\*Note: 2012 results are preliminary)

- Recognized by ACEEE #1 State for Energy Efficiency: 2011 & 2012
  - Public benefits program & policy efforts
  - Best practices
  - State Government Initiatives



The 2012 State Energy Efficiency Scorecard, American Council for an Energy-Efficient Economy (Report Number E12C), October, 2012<sub>2</sub>



# Growth of Benefits

Three-Year Energy Efficiency Plan Goals	2010-2012	2013-2015*	% Increase
Total Program Investment (\$ millions)	\$1,627	\$2,246	24%
Total Benefits (\$ millions)	\$6,039	\$8,980	49%
Annual Electric Savings (GWh)	2,625	3,706	41%
Annual Gas Savings (million therms)	57	72	26%
Total Costs (TRC) (\$ millions)	\$2,178	\$2,774	28%
Net Benefits (TRC) (\$ millions)	\$3,861	\$6,206	60%

\* Per DPU Order January 31, 2013

# Expanded Offerings

- 2013-2015 Three-Year Statewide Plan includes many enhancements to be implemented in 2013-2015
  - Building on successful C&I upstream lighting initiative “Bright Opportunities”
  - New C&I upstream HVAC/HP initiative
    - Increase availability and market share of high efficiency HVAC and Heat Pump equipment
    - Partner with HVAC/HP distributors
    - Incentive buys down the incremental cost between standard vs. higher efficiency equipment
  - Efficient Neighborhoods+ targets economically challenged neighborhoods
  - Enhanced integration of gas and electric energy efficiency services



- PAs working to create a culture of sustainability in Massachusetts
- Comprehensive, integrated services to:
  - Residential, low-income, commercial & industrial sectors
- Commitment to public education on energy efficiency
- Continued support of the Mass Save mark and statewide brand
- Market segmentation strategies to meet needs of all residences & businesses and seek greater efficiency
- Community engagement and local community partnerships
- Continuation of Massachusetts Technical Assessment Committee (“MTAC”) to encourage innovation and expansion of working groups to support best practices



**On behalf of all Program Administrators**

**Thank You**

**Kevin Galligan, Cape Light Compact**

# Appendix



# Cost Categories

Program Planning and Administration (PP&A)	Costs associated with developing program plans, including market transformation plans, research and development, and day-to-day program administration, including labor, benefits, expenses, materials, supplies, and overhead costs, and any regulatory costs associated with energy efficiency activities.
Marketing and Advertising	Costs to advertise, through television, radio, billboards, brochures, telemarketing, web-sites, and mailings, the existence and availability of energy efficiency programs or technologies, and to induce customers or trade allies to participate in energy efficiency programs.
Participant Incentives	Funds paid by the reporting Program Administrator to customers or trade allies, often in the form of rebates, for installation of energy efficiency measures and/or products.

# Cost Categories

## Sales, Technical Assistance & Training (STAT)

Costs to motivate and/or train (1) customers to install energy efficiency products and services, (2) retailers to stock energy efficiency products, (3) trade professionals to offer energy efficiency services, (4) manufacturers to make energy efficiency products; and (5) vendor services and supplies that demonstrate benefits of energy efficiency.

## Evaluation and Market Research (EM&V)

Costs associated with evaluation activities, including costs related to cost-effectiveness, market research (e.g., baseline studies, market assessments, and surveys), impact and process evaluation reports, tracking and reporting program inputs and outputs, funding studies, and other costs associated with evaluating the programs.

# Lifecycle of a Program Enhancement Example: Heat Pump Water Heater from Pilot to Program

