



via electronic mail: [lauren.farrell@state.ma.us](mailto:lauren.farrell@state.ma.us)

**Comments of Northeast Energy Efficiency Partnerships (NEEP)  
To the Massachusetts Energy Policy Review Commission  
Pursuant to its draft report to the Legislature**

October 28, 2013

Ms. Barbara Kates-Garnick  
Undersecretary for Energy  
Executive Office of Energy and Environmental Affairs  
100 Cambridge Street, 9th Floor  
Boston, MA 02114

Dear Undersecretary Kates-Garnick,

On behalf of Northeast Energy Efficiency Partnerships (NEEP),<sup>1</sup> thank you for the opportunity to provide comments on the draft report to the Legislature of the Massachusetts Energy Policy Review Commission (EPRC).

NEEP is a regional non-profit whose mission is to serve the Northeast and Mid-Atlantic to accelerate energy efficiency in the building sector through public policy, program strategies and education. Our vision is that the region will fully embrace energy efficiency as a cornerstone of sustainable energy policy to help achieve a cleaner environment and a more reliable and affordable energy system.<sup>2</sup>

As NEEP's mission is focused on energy efficiency, we will limit our comments to those elements of the draft report dealing with energy efficiency, though, in many cases, these strategies overlap with or complement other clean energy policies of the Commonwealth.

We would like to begin by thanking the members of the Massachusetts Energy Policy Review Commission (EPRC) for their thorough review of the benefits and costs of the policies enacted by Governor Patrick and the Massachusetts Legislature under the Green Communities Act of 2008.<sup>3</sup> These policies seek to address the Commonwealth's energy needs in a manner that has reduced energy waste while providing for investments to meet the economic and environmental challenges of the century ahead. NEEP is proud that our home state has received national recognition for its regional and national leadership in energy efficiency, our least-cost energy resource, particularly for

---

<sup>1</sup> These comments are offered by NEEP staff and do not necessarily represent the view of NEEP's Board of Directors, sponsors or underwriters.

<sup>2</sup> <http://www.mass.gov/eea/docs/eea/energy-policy-commission/final-eprc-report-oct18.pdf>

<sup>3</sup> Massachusetts Green Communities Act, Chapter 169 of 2008.

achieving the #1 ranking in the American Council for an Energy Efficient Economy (ACEEE) State Scorecard for the last two years.<sup>4</sup>

The EPRC's review process has been thorough and open, allowing for key academic, environmental, business, and industry stakeholders to learn more about how the energy efficiency and renewable energy programs are administered and to offer their perspective on the direction of these important programs in the future. NEEP concurs with the concluding recommendation by the Commission that Massachusetts strive to provide greater access to information on programs, prioritize the state's energy policy goals, use policy and market mechanism to maximize program benefits, engage the public and all interested stakeholders, and provide vibrant programs to all Massachusetts residents and businesses.<sup>5</sup>

In general, NEEP feels that far too much criticism has been directed at the Patrick administration for its clean energy policies that critics contend burden electric and gas ratepayers with excessive costs. What these critics generally fail to note is the substantial return on investment from these policies that result in benefits that are not only real, measurable and significant, but which will accrue for many, many years to come, and which outweigh program costs by a nearly four-to-one margin.

The Commission has done an admirable job in allowing these critics to be heard, and responding in its recommendations as to how the state's clean energy policies are made even more transparent and understood, particularly with how energy efficiency fits into the state's overall energy resource mix. NEEP believes that the performance metrics outlined in the report regarding the Massachusetts' energy efficiency programs can be a valuable supplement to those outlined in the original Green Communities Act. We note that energy efficiency programs have been an overwhelming success. Over their first three years, the customer energy efficiency programs overseen by the Department of Energy Resources (DOER) and the Energy Efficiency Advisory Council (EEAC) are meeting the aggressive energy savings targets at or below anticipated costs.<sup>6</sup> The metrics, which include lowering peak demand, reducing greenhouse gas and other air pollution emissions, and accounting for non-electric benefits, offer clear guidance on how, if progress is maintained, robust energy savings initiatives will allow Massachusetts to maintain economic growth while avoiding unnecessary investments in new energy infrastructure throughout the ISO-New England region.

We note that the EEAC has an extremely robust program evaluation framework in place, with numerous complex evaluation studies being conducted by the program administrators this year in collaboration with the Council. In addition, Massachusetts participates in the Regional Evaluation,

---

<sup>4</sup> See the ACEEE Scorecard at <http://aceee.org/state-policy/scorecard>.

<sup>5</sup> Massachusetts Energy Policy Review Commission, Draft Report to the Legislature, October 18, 2013, p. 44, <http://www.mass.gov/eea/docs/eea/energy-policy-commission/final-eprc-report-oct18.pdf>.

<sup>6</sup> See the Energy Efficiency Advisory Council (EEAC) Consultant report for a discussion of energy savings and cost trends during the 2010-2012 energy efficiency program plan, September 10, 2013, [http://ma-eeac.org/Docs/3.1\\_Council%20Meeting%20Minutes/2013%20Minutes/9.10.2013/PA%20Presentation%202010-2012%20Achievements%20Presentation%209-10-13.pdf](http://ma-eeac.org/Docs/3.1_Council%20Meeting%20Minutes/2013%20Minutes/9.10.2013/PA%20Presentation%202010-2012%20Achievements%20Presentation%209-10-13.pdf).

Measurement and Verification Forum convened by NEEP.<sup>7</sup> The Forum conducts shared research projects across the Northeast and Mid-Atlantic, finding cost savings and mutual benefit for participating states.

NEEP notes that some of the issues with the energy efficiency programs cited by members of the Commission are important and can be dealt with through proper and existing channels. In our view, many (if not most) of the members' concerns are program implementation issues that should be addressed within the EEAC state energy efficiency plan development and review process. That process involves substantial discussion of how the efficiency programs are performing relative to goals in all customers sectors and has representation from major energy users, program implementers, energy efficiency businesses, and environmental groups. As you know, the Committee was recently expanded to add a seat representing small energy efficiency contractors, now held by Paul Johnson of Greentek.

Our overarching sentiment is that while the report offers some useful information, we strongly urge the Executive Office of Energy and Environmental Affairs and the Legislature to focus on the existing framework of the EEAC when it comes to reviewing, evaluating and taking input into the state's rate-payer funded efficiency programs.

## Conclusion

In summary, NEEP feels this Commission has fulfilled its statutory responsibilities in a thorough and professional manner by addressing the principal elements of its legislative charge, namely to "research and review the economic and environmental benefits, as well as, the economic and electricity cost implications of energy and electricity policies in the commonwealth."

We also conclude that the Commonwealth's clean energy policies continue to deliver on vital benefits to Massachusetts' residents and businesses, particularly, per the Legislature's directive, with regard to:

- *"Encouraging business development and job creation,"* as cited in the data gleaned from the Massachusetts Clean Energy Center and other sources and included in the report.
- *"Reducing costs associated with energy programs funded, in whole or in part, by the commonwealth, while maximizing the benefits of these programs,"* by employing an open program planning and review process via the Energy Efficiency Advisory Board.
- *"Reducing the cost of electricity for commercial, industrial and residential customers,"* via a nationally renowned suite of programs that meet energy needs first and foremost through the least cost energy resource - energy efficiency - before turning to traditional energy generation and supply, and which have helped dampen significantly overall wholesale market clearing prices for energy thanks to Demand Reduction Induced Price Effects (DRIPE).

---

<sup>7</sup> <http://www.neep.org/emv-forum/index>

- *“Increasing electricity reliability,”* by contributing significantly to a grid-wide set of public policies that have resulted in ISO-New England for the first time ever forecasting no new load growth across the region due to the policies that encourage greater energy efficiency.

Thank you again for the opportunity to comment on this report, and please do not hesitate to contact NEEP with questions or if we can be of assistance.

Sincerely,



Josh Craft  
Manager of Public Policy Analysis  
Northeast Energy Efficiency Partnerships  
781-860-9177 ext. 109 or [jcraft@neep.org](mailto:jcraft@neep.org)



Natalie Hildt Treat  
Sr. Manager of Public Policy Outreach  
Northeast Energy Efficiency Partnerships  
781-860-9177 ext. 121 or [ntreat@neep.org](mailto:ntreat@neep.org)