

C&I Working Group Quarterly Meeting

Thursday, December 8th, 2022

10:00 AM - 12:00 PM

Zoom Meeting

Meeting Attendees

Nina Mascarenhas, Lisa Zagura, Bob Rio, Alan Sheard, Ben Myers, Dennis Villanueva, Heather Takle, Jennifer Chiodo, David Chamberlain, Maggie McCarey, Caroline Eber, Frank Gundal,

AGENDA

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| 10:00 AM – 10:08 AM: | Introduction <ul style="list-style-type: none">• Brief introductions of CIWG members• Review of meeting objective and agenda |
| 10:08 AM – 11:00 AM: | What challenges and opportunities exist around custom measures and incentives for Mass Save? <ul style="list-style-type: none">• 2-minute silent reflection• Round robin brainstorm: each participant shares ONE unique challenge or opportunity per round, continue until no further ideas (order of brainstorm will be posted in chat). Responses recorded on spreadsheet for group to see. (30 minutes)• Review recommendations process. (Process will be to develop draft recommendations for the top scoring challenges/opportunities.) (10 minutes)• Review compiled results of multi-voting for priority challenges and opportunities (5 minutes) |
| 11:00 AM – 11:40 AM: | Develop recommendations <ul style="list-style-type: none">• Discuss potential recommendations relative to the top 3 priorities. (20 minutes)• Discussion to finalize draft recommendations for top 3 priorities. (20 minutes) |
| 11:40 AM – 11:50 AM: | Input on Agenda for next CIWG Meeting |
| 11:50 AM – 12:00 PM: | Plus/Delta round robin – (+ what went well, delta what would make the meeting better in the future?) |

Meeting Notes

Introductions

What challenges and opportunities exist around custom measures and incentives for Mass Save? What are the recommendations?

- a. Top ranked challenges and opportunities
 - i. Transitioning very large customers¹ from fossil fuel-based infrastructure to electrical based infrastructure. Need to address costs of project development, implementation, and operations.
 - ii. Customers are unaware of eligibility of process related measures - time required for PA educating customer and getting buy in is long (recommendations include all custom measures that are atypical)
 - iii. Contractors tend to promote prescriptive because it is easier. Because custom is complex, it is often overlooked in favor of prescriptive and if we want more holistic treatment, this is a challenge. Contractors drive the process for medium and small².
 - iv. The timeline for reviews is too long and HVAC projects that take a lot of engineering and analysis involves multiple parties – Technical Assistance (TA), Program Administrator (PA) engineering process can take up to two years.
 - v. Lack of consistency across PA offerings; customers with facilities across multiple PA territories face significant challenges
- b. Additional challenges and opportunities
 - i. Large customers are seeing a high degree of support, but custom projects may be more difficult for companies without full time energy managers and utility contractors
 - ii. Implications of plant shutdowns particularly for manufacturing
 - iii. Miscommunication/lack of communication with the company doing the TA study and the PA technical reviewers
 - iv. Lack of consistency across PA offerings; customers with facilities across multiple PA territories face significant challenges
 - v. Unclear how incentives are established and how much will be available
 - vi. Program complexity for custom pathway
 - vii. No recommended approach for calculating savings and determining the order of measures for electrification coupled with site efficiency

¹ While this issue applies to all customers, it was raised by a large customer with a CHP plant.

² It was surmised during discussion by the PAs that drivers may include the potential failure for custom measures to pass BCR and/or the timeline for custom projects.

- viii. TA expertise doesn't always meet the needs of the site
- ix. Contractors don't tend to pursue electrification and carbon reductions because of costs
- x. Programs should be utility agnostic - including for Municipal Light Plants (MLP) when natural gas service comes from a utility

2. Recommendations regarding addressing the top ranked issues

- a. Transitioning very large (and all) customers from fossil fuel-based infrastructure to electrical based infrastructure. Need to address costs of project development, implementation, and operations.
 - i. Establish a point of contact from the PAs to review the needs of the site and support long-term master planning and implementation. Form a team that will work together over multiple years to support the transition.
 - ii. Publish a workflow so customers know whom to contact and the process.
 - iii. Share success stories such as case studies that include a clear description of processes
 - iv. Require all providers doing assessments to look at each end use and the entire energy portfolio of measures for the facility, not just the typical measures
 - v. Provide a clear pathway for customers to get questions answered - identify customer point of contact for each project (vendor, PA, etc.) with a specific individual named as the primary resource. Provide an alternate pathway for when the primary contact fails.
 - vi. Publish a customer journey map that includes critical milestones, roles and responsibilities, time ranges for PA-led steps and includes FAQ's about how to address challenges often faced in project development and implementation.
- b. Customers are unaware of eligibility of process-related measures. The time required for PAs to educate customers about these opportunities and getting buy-in is long. (Recommendations include any atypical custom measure)
 - i. Tours and videos to show customers successful outside-the-box projects with follow-up to ensure projects are performing at the same level as prior to implementation (no decrease in quality)
 - ii. Share success stories such as case studies that include a clear description of processes
 - iii. Education on the custom process and measure eligibility - broader market education of customers
- c. Contractors tend to promote the prescriptive pathway for projects because it is easier. Because the custom pathway is complex, it is often overlooked in favor

of the prescriptive and if we want more holistic treatment, this is a challenge. Contractors drive the process for medium and small customers.

- i. Ensure funding is in alignment with desired outcomes, consider options such as contractor incentives to deliver custom projects
 - ii. Determine whether project expeditors are capturing the wide variety of measures that can qualify, particularly under the custom pathway
 - iii. Increase awareness of "new" technologies and processes.
 - iv. Simplify the custom pathway process
- d. The timeline for reviews is too long. HVAC projects requiring a lot of engineering and analysis involving multiple parties (TA and PA engineers) can take up to two years.
 - i. Establish sunset period for PA review and response on submitted projects like renewables.
 - ii. Hold frequent meetings with PA and Technical Assistance vendors to review projects
 - iii. Streamline (find efficiency, identify where things are overly complex) and clarify processes
 - iv. Establish milestones and communicate throughout the process
 - v. Publish a customer journey map that includes critical milestones, roles and responsibilities, time ranges for PA-led steps and includes FAQ's about how to address challenges often faced in project development and implementation.
 - vi. Review custom process with PAs and CIWG to have CIWG provide input on the process itself.
 - vii. Consider adopting internal metrics for PA project reviews and customer responses - ranges based on project complexity, recognize and track back-and-forth, promulgate best practices among PAs.
- e. Lack of consistency between PA offerings and approaches; customers with facilities across multiple PA territories face significant challenges
 - i. Why are there separate programs? Establish a single pool of resources - a single program across the state
 - ii. Municipal Light Plant (MLP) customers who pay an energy efficiency surcharge on natural gas should get services under the programs
 - iii. PAs should align timing and requirements for approving TA vendors to increase consistency of TA vendors between PAs
 - iv. Explore whether the existing programs could be offered to MLP territories by the IOUs with cost recovery. This would require legislation.

Input on Agenda for next CIWG Meeting:

- The co-chairs presented potential topics for the next CIWG meeting based on ideas brought forth by members in previous C&I Working Group meetings and the Commercial & Industrial Customer Survey results. These topics, addressing aspects of the Mass Save programs, were as follows:
 - Communication (between vendors and customers, and PAs and customers)
 - Contractor oversight and follow-up
 - Complexity of navigating the programs
 - Improvement of energy assessors and Technical Assistance (TA) study vendors expertise in greenhouse gas (GHG) reduction and system replacements for complex building systems
 - Active Demand and Connected Solutions
 - Deep Dive on C&I Customer Journey
 - A member suggested this topic be prioritized for the next meeting
 - In alignment with the recommendation to streamline the program process, there was a request for visibility on all internal steps and procedures of the custom pathway
- It was requested that the next CIWG meeting focus on discussing the recommendations brought forth at this meeting with the presence of the PAs. The following were suggested as options for intermediate next steps:
 - Prioritize and refine the list first to ensure that the PAs have enough context to make that conversation productive
 - Request feedback from the PAs to identify any further information they may require to implement the recommendations.
 - Alternative to the above, at the next meeting the CIWG members could refine the recommendations before they are provided to the PAs.
 - The need for a feedback loop between the group and the PAs was emphasized and it was suggested that the outcomes from this meeting may be sufficient for the PAs to respond to
 - The PAs noted that an important aspect of their feedback could be about the potential unintended consequences in implementing any of the recommendations.
 - In preparation for the next meeting, the CIWG co-chairs will work with the Energy Efficiency Advisory Council (EEAC) consultants to create a refined and succinct list of the recommendations and determine which items on the list have the potential for a deeper dive with the PAs
 - There was request for CIWG members to reach out if they had further feedback on which recommendations should be put forth for this effort.

Plus/Delta round robin – (+ what went well, delta what would make the meeting better in the future?):

The CIWG felt that the structure for this meeting was well supported and a lot of progress was made.