C&I Working Group Meeting

Monday, March 6th, 2023
2:00 PM - 4:00 PM

Zoom Meeting

Meeting Attendees

Nina Mascarenhas, Lisa Zagura, Bob Rio, Dennis Villanueva, Heather Takle, Jennifer Chiodo, David Chamberlain, Maggie McCarey, Caroline Eber, Frank Gundal, Krista Lillis, Jason D'Antona, Zack Lippert

AGENDA

2:00 – 2:05 PM: **Introduction**

- Review meeting objective and agenda

2:05 – 2:45 PM: **Review and feedback on CIWG recommendations**

- Program Administrator (PA) overview of activities to address recommendations
- Round robin feedback on PA efforts
    - Each participant shares one positive observation and one additional area of opportunity regarding the PA efforts to address the recommendations in the first round. Subsequent rounds can include a single observation. Responses recorded on spreadsheet for group to see.

2:45– 3:40 PM: **Deep Dive into the Custom Project Process**

- Review and discuss spreadsheet matrix documenting the custom process to obtain CIWG input and to identify additional recommendations.
    - PAs provide brief overview of custom project process spreadsheet.
    - Customer project example and discussion
    - Round robin feedback on custom process – one item per person per round. Observations/feedback may address areas such as:
        1. CIWG and broader CI participant (from surveys) custom project pain points
        2. Feedback on timelines and opportunities to improve alignment between PA timelines and customer budget/construction cycles

3. Communications including stakeholders, channels, roles and responsibilities (Who, how, when and what of communication)

3:40 PM – 3:55 PM: **Review action items and set priority area(s) of discussion for next CIWG Meeting**

3:55 PM – 4:00 PM: **Plus/Delta round robin – (+ what went well, delta what would make the meeting better in the future?)**

Meeting Notes

Review and feedback on CIWG recommendations:

- Some Program Administrator responses to the CIWG recommendations are geared towards the Mass Save website modifications but the PAs are open to other forms of customer facing considerations and program delivery changes.
- CIWG members said it would be helpful to have a single point of contact where customers or vendors could reach out to with questions.
  - PA response: This is a difficult suggestion to address because the project contact is assigned based on the primary utility for that project. For example, you may have multiple PAs that are providers for a facility (one for gas, one for electric) and for electric based projects only the electric PA would be the point of contact because there would not be a need to involve the gas PA. For electrification projects typically it is the gas PA who takes the lead. For longer term projects larger PAs would assign a specific person that would be the point of contact for all measures.
  - How does the point of contact get assigned to the project? On the customer side it can be challenging to navigate this. It would be helpful to have a pathway on the website or a general call center where customers can go to get their questions answered. Consider a unified approach to customer service as opposed to navigating multiple PAs.
  - Legislatively, the Sponsors of Mass Save have direction as to which PA is the lead for projects, but this should not interfere with the customer experience to address their needs.
  - A member noted that on the website there is a "Not Sure Where to Start" button and it sends you to the energy assessment page. There is also "Find Your Sponsor" page, but neither gives a clear pathway for whom specifically to contact for energy assessments or other specific topics. This could be clearer so there is an improved customer experience.

    - Once the PA is contacted, the information gets dispersed to the correct party to reach back to the customer but that internal process may not be clear from the customer's perspective and there have been instances where the customer did not receive a return call or contact due to breakdowns in the internal communication chain.
    - The PA representative said that the Sponsors of Mass Save are looking to provide a more homogeneous interface for customer interaction on the website and would be open to more suggestions related to this topic.
    - It was mentioned that further to a clarification on whom to contact for a certain project type, it would be helpful for the customer to have a single point of contact for multi-project long term plans in the effort to transition away from fossil fuels.
- When it comes to electrification and efficiency there is a lack of understanding for where a customer should start and how to engage the PAs.
    - As a group there is still a need for creative thinking on innovative ways to increase throughput of projects.
    - The PA representative noted that there is a difference between electrification and energy efficiency. The PAs are readily equipped to help with energy efficiency projects. In efforts to electrify, there are some circumstances where the PA would not be the first point of contact, for example when the customer needs to contact a design engineer because of the complexity of the electric infrastructure and the major renovations that may need to occur outside of what the Mass Save programs have to offer for the reduction of electricity or fossil fuel use.
    - Outside of the electrification conversation, there are other project types, such as HVAC, that also need an easier avenue to determine the direct point of contact for the project. There have been issues on the website where the input of an area code (in the "Find Your Sponsor" page) did not result with a phone number to contact or did not work for certain zip codes. A generalized email address for a PA may not be the best form of contact for the customer.

Deep Dive into the Custom Project Process

- The various steps of the custom project process, similar to that presented at the CIWG kickoff meeting, was shared in spreadsheet format with attendees prior to the meeting. This included a description, the parties involved and the general communication occurring for each step. Timelines were included in a later version to be shared with the CIWG.
- A CIWG member asked for clarification on whether there is a "pre-application" where the customer sends in all their information savings information as well as a "post-application" that gets filed after installation since there are two signatures that are required from the customer through the process.
    - The PA representative clarified that there is just one application, that is signed twice - at the beginning, by the customer and the vendor when committing to

    undertake the project and then again at project close to confirm that everything was installed as expected.

- A CIWG member asked for clarification on whether the "determine energy savings" phase of the process happens before the "application" is submitted.
    - The PA representative clarified that these two steps can be submitted to the PAs concurrently. Customers typically submit these at the same time, but it depends on the project type. Occasionally an additional document needs to be signed for engineering services to conduct a Technical Assistance (TA) study or to help determine the savings. This would happen before the internal engineering review. If there is a custom express tool that can be leveraged by the vendor, or the customer or implementation vendor can determine the energy savings, then this incremental step of having engineering services or a technical assistance study may not be needed.
    - It was suggested that the step termed "application" is really the statement of intent that initiates the determining of energy savings or kicks off a TA study. The results of a TA study may be needed to formally file the application.
    - Additionally, what may not be clear to customers is the "energy savings review" and "cost effectiveness review" by the PAs take place sequentially. A member noted that this is an area where the customer perspective and the PA perspective seem to vary. Customers, or the vendors on their behalf, submit all documentation for savings determination and cost effectiveness with the application in one step. For the PAs internal process, this is two steps – the first is approving and confirming the savings after the application and savings are received from the customer or vendor, and then determining cost effectiveness and incentive eligibility.
    - Customers may not be aware of the internal PA process for how the incentive is determined and how projects get approved (or in some cases why the project is denied).
    - It was noted that there should be collective consensus on what the terminology means when ultimately posted to the website.

- A CIWG member asked if there should be a step included in between the completion of the TA study and implementation, where the PA needs to approve the measures of the TA before moving forward with the project.
    - The PA representative clarified that this is encompassed in step 5 "energy savings review" and step 6 "cost effectiveness review" where there may be some back and forth between the PA, the implementation vendor and the TA vendor about assumptions that are made. This is especially true if measures or project circumstances change. Once all of the energy savings parameters are confirmed, should the project pass the cost effectiveness test, then this would result in the project incentive determination and approval.
    - It was noted as worthwhile to have a list of the parties involved at each step and their role.

Specific Project Examples: HVAC vs Lighting projects

A CIWG member presented on their experience with applying for and receiving an incentive from Mass Save for a custom HVAC as compared to a custom lighting project. These were the key takeaways from the discussion -

- HVAC projects take a long time to analyze and a long time to implement in comparison to lighting. (HVAC 677 days, Lighting 162 days)
- This is important because the HVAC projects have significantly more GHG reduction.
- Common Challenges:
  - Misalignment of expectations
    - Shifting MRD (minimum requirement document) expectations – the documentation required to validate the project
  - Extended TA study period
    - Can't start construction until the TA has been conducted.
  - Multiple points of contact throughout study and with vendors and PAs
  - PA coordination includes communication gaps when there are multiple PAs working on a project
  - TA engineers get lost in details and lose track of the throughput.
  - Multiple data requests and varying expectations
- Opportunities:
  - Engage PA engineering early
  - Standardize MRD requirements and TA milestone timeframe.
  - Parallel TA process with implementation process
    - If we can conduct the TA study while implementing the construction, we could drastically reduce the time required for project completion
  - TA project manager assignment for consistency
  - Prescriptive HVAC or partial early incentive with holdback

- Discussion on incentive and review timelines relative to implementation timeline
  - A PA representative stated that the PAs can't commit to an early incentive because if they do and the analysis shows it not to be cost-effective or the savings substantially differ from the initial commitment, then should evaluation analyze this project later on, the PAs wouldn't just miss out on the savings from the singular project, but the differential in energy savings claimed to what can be realized by the PAs would then be applied to the entire program, resulting in lesser overall savings.
  - The PAs shouldn't stop the customer if they want to start to implement a project, they just can't confirm the incentive that is going to be paid out until the TA study is complete. This is something the PAs could communicate better on.
  - There are also efforts from the PAs on the engineering side that are currently being conducted where there is a separation between precision and accuracy – trying to get the project energy savings to close enough to what the PAs feel

comfortable to sign off on and then going back after project close out to fine tune the savings ultimately claimed.

- These ideas are great, but they haven't been fully implemented and are not universal across the PAs.
- Some customers are willing to forgo confidence about the full incentive amount for greater confidence that the project would be accepted in the program. Retainage (the PA ability to provide a portion of the incentive prior to complete verification) is not well communicated or may not be as universally applied as needed to expedite a project implementation. Greater communication of this approach and consideration for percentages of the retainage should be discussed further.

- HVAC systems, and therefore HVAC efficiency measures, are more dynamic and more complex than lighting.
  - Estimates are frequently inaccurate because of this and the only way to be sure is take measurements before and after installation. Moving to a more measurement-based approach could be one way to address evaluation concerns.
  - More visibility on the process of what's happening on the PA engineering step would be helpful as well as the implementation of hard deadlines for PA response.
  - The PAs have a tracking system with SLAs (Service Level Agreements) that they follow. The challenge for the timeframe comes when there is the back and forth between the PAs, customers, implementation vendors, or technical assistance vendors and waiting for responses.
  - Improvements with overall communication between the customer, PAs, and other vendors involved is needed to provide improved visibility as to where the customer is in these projects steps and what is needed to move the project forward.
- How often do MRDs change?
  - MRDs are project specific and identify what is required to verify the installation and operation to achieve the projected savings at project close. These documents can vary because they are used for custom projects and the process for determining savings can be complex. For example, if the engineer does not get the appropriate outcome from deriving savings through one approach, they may request additional information to derive it through a different way. Sometimes projects are so unique that no one has derived savings for that project type before and may require seasonal trends or similar. This can be a time-consuming aspect of the savings identification process. When there is data that needs to be collected from the customer occasionally the wrong data will be collected or there is an error with the data collection. These factors will increase the time involved in determining or reviewing the energy savings.
- If we could have some semblance of making the HVAC process more prescriptive for common type projects, we could drastically reduce the time frame required.

Round Robin Feedback

- Clarifying the process and expectations would help reduce the timeframe for custom projects. This would also help ensure that the customer doesn't miss the most optimal window of time to gather data and consequent incentive opportunities.
- The custom pathway can be a more optimal route for some projects than the prescriptive pathway because it allows for more creativity in determining the savings which can lead to more savings claimed by the PAs and higher incentives. This is especially true for complicated and expensive projects because measures can be lumped together.
- Often the customer is looking to do electrification and energy efficiency measures, so providing a roadmap of how to accomplish both would help the customer navigate next steps.
- Each customer for large C&I has a specific assigned sales representative to discuss projects with.
    - A breakdown in communication can occur once the project gets passed on to engineering or technical representatives and during other parts of the project. The customer may not be aware of the ongoing process of when the PA technical team may be reaching out to the TA vendor.
    - There are also some instances where the sales representative doesn't know the next steps for the project because they are unsure of where to assign the customer (local representative versus overarching account management)
    - Customers are running into issues when they don't know who is following the project the whole way through the process or who is the lead for a particular step. Going forward there needs to be greater clarity in this regard.
- Customers reach out to DOER to determine whom to reach out at the Program Sponsors. Sometimes, even when connected with a PA contact, they don't receive a response. These are typically smaller customers who don't have a lot of resources or an engineering team to support the development of energy savings calculations.
- Some customers don't have an issue with finding appropriate PA contacts, but there are issues that come up when the PAs need to communicate with each other to determine who is doing what on the project and this in turn slows down the process.
    - A question arose as to whether these customers sometimes receive two MRDs requiring multiple types of data collection for each PA or is it that they aren't communicating the data that is being collected with each other?
    - The PAs tend to look at projects independently and one PA sometimes closes out a project before the other indicating that they are not communicating with each other. The process feels fractured. The customer sees it as one project and it would be helpful if the PAs treat it as one project as well.
- How do we apply the following recommendations for the whole C&I sector?
    - Shorten timelines within the PAs.
    - Make things more prescriptive.
    - Increase project through-put.
    - Overlap steps of the process.

- CIWG members were asked if the issues being discussed were experienced broadly across the group.
    - Some reported facing similar challenges but one member did not, noting that they had a very positive experience. However, that member felt the approved PA TA consultants could be improved.
- Are there more custom express calculation opportunities for HVAC projects to help speed the process up?

Review action items and set priority area(s) of discussion for next CIWG Meeting

- Brainstorm ideas on how we can go further on each of these responses.
- Members to brainstorm ideas for improving the lines of communication for the next meeting.
- Before the PAs post the custom project process to the website, it may be worthwhile to work with the members of this group to clarify the customer perspective in parallel to the PA perspective to ensure that the custom project process is transparent and easily digestible for the customer audience.
- As a group we should come up with ideas for how to streamline and expedite the implementation process for complex projects like HVAC.