

C&I Working Group June Meeting

Monday, June 12th, 2023

10:00 AM -12:00 PM

Zoom Meeting

Meeting Attendees

Nina Mascarenhas, Lisa Zagura, Bob Rio, Jason D'Antona, Dennis Villanueva, Heather Takle, Krista Lillis, Jennifer Chiodo, David Chamberlain, Caroline Beaven, Ina Dasso, Michelle Keller, Zack Lippert, Seth Federspiel

AGENDA

10:00 AM – 10:20 AM: **Performance review and 2023-2025 three-year planning process**

- C&I sector performance for 2022.
- CIWG inputs into planning process for 2025-2027 plan

10:20 AM – 11:15 AM: **CIWG progress to date**

- Overview of outcomes from CIWG March meeting and 6/6 June prep meeting.
- Program Administrator update on efforts to address recommendations.
- Round robin feedback from CIWG.
 - Which recommendations are highest priority for further action?
 - What additional steps should be taken on any of the items?
 - Should any recommendations be amended?
 - Are there new items that should be added to the list?

11:15 AM – 12:00 PM: **CIWG process review**

- Round robin feedback from members on the CIWG process thus far about the following:
 - Number and frequency of meetings
 - Process for setting meeting agendas
 - Process for developing recommendations.
 - Stakeholder hour topics and format

Meeting Notes

Performance review and 2023-2025 three-year planning process:

- On 06/21/2023, there will be a one-hour lunch and learn which starts at 12pm and is the first portion of the EEAC June meeting dedicated to going through the planning process for the next 3-year plan.
- C&I Results Overview PPT Discussion:
 - In 2022, the C&I portfolio ran below where the 3-year goal had anticipated.
 - Do the natural gas savings include electrification?
 - Electrification of gas end uses shows up in the gas savings.
 - The chart shared shows standard EE and Electrification.
 - 65% on gas seems low according to members of CIWG.
 - Electrification Quantities
 - A new Quarterly KPI # 3 that includes C&I electrification MMBtu data was reported for the first time at the end of 2022.
 - There has been greater Net Lifetime fossil fuel savings from electrification/conversion to heat pumps of gas end uses to date (12.51% of term goal) than from other electric and delivered fuel end uses (0.94%).
 - What is the breakdown of all the savings?
 - For the quarterly reporting there is measure-by-measure visibility for only the C&I turnkey offering in the C&I portfolio. There is however a measure-wise breakout for all C&I savings in the annual reports.
 - Of the savings we see here about 40% came from custom measures.
 - In the forthcoming weeks we should be able to have more visibility at a measure level for the progress towards goal.
 - Net Lifetime Savings from Custom HVAC Projects
 - This is another KPI that we do not have a lot of insight into the details of yet.
 - There has been discussion between the PAs and the consultant team on how to potentially have more HVAC projects going through the prescriptive pathway or to at least streamline the process.
- EEAC Planning Process 2025-2027
 - A CIWG member asked if the CIWG will continue indefinitely or if there is an end date for the purpose of this group.
 - It was clarified that the CIWG is planned to be an ongoing initiative. The next meeting will be held in September 2023.
 - This group meets in accordance with the 2022-24 3-year plan term sheet
 - How much input does this group have on the next three-year plan?
 - The upcoming C&I 4-hour workshop has some suggested draft topics that have been informed in part by what has come out of this group and the

survey process. This group also had an impact on the custom process evaluation study.

- The custom process evaluation study was in large part stimulated by the work of this group. The scope and focus of this study were informed by the working group and the survey.
 - The purpose of this study was to identify opportunities to increase the efficiency and productivity of non-lighting custom program offerings for Massachusetts C&I customers' existing buildings.
 - It includes:
 - Increasing numbers of customer projects and per project savings with a focus on non-lighting measures within existing buildings.
 - Comprehensiveness and quality of projects
 - Streamlining processes to shorten project timelines
 - Looking at the types of measures beyond lighting that are now being pursued.
 - Improving communications
 - Supporting higher realization rates
 - Looking for best practices within Massachusetts and nationally
 - The results of the study are tentatively anticipated in February or March of 2024.
- Further discussion and follow-up is needed to discuss challenges the PAs may have had in reaching goals for the first year of the plan now that we are better able to have an informed conversation on that.
 - The group considered meeting in the summer or using the September meeting to discuss this.

CIWG progress to date:

- Updates to the CIWG Recommendations Tracker
 - There is a new column for Initiate Date to help differentiate between new ideas and ideas that have come from past meetings.
 - There is an added issue to the list about communication channels.
 - On the second recommendation about provision of a clear workflow for customers to know whom to contact and understand the process, more information from the March meeting has been added in red.
 - New Recommendations:
 - Process document to include the customer's perspective.
 - Increase prescriptive HVAC offerings.
 - Reduce the variability and uncertainty of the custom project process.
 - Develop a parallel track so an initial incentive can be offered enabling implementation to happen concurrently with the official savings estimation.
 - Take concrete steps to improve communication standards.
 - The current format of tracking the recommendations needs to be revisited due to the depth and complexity of the information and the sub-meeting and ideas that

have come from it. The progress made on some of these topics is not apparent with the current format.

- A CIWG member asked for confirmation that the recommendation for a limit/deadline for projects that go into engineering review is included in the list.
- The “Major Themes and Recommendations” Word document may be a parallel of efforts with the “CIWG Recommendations Tracker” Excel file and confusing because the recommendations from the Word document were all based on our last quarterly meeting, and it may become cumbersome to maintain both.
 - The word document needs feedback/approval from the CIWG before being incorporated into the excel file.
 - Another recommendation is to get rid of any items that have PA responses that are very simple and conclusive with no long-term plan of action.
 - Add a status different from inactive or complete - “closed” perhaps.
- Feedback on the document ‘Major Themes and Recommendations’ that expanded on the discussion of the March CIWG meeting and was created from joint inputs from the consultants, PAs and a planning meeting with CIWG members who could attend.
 - Additional details around increasing prescriptive HVAC offerings.
 - Lighting used to be a massive portion of where savings came from in the programs. It is relatively straight forward to make lighting prescriptive as compared to HVAC.
 - The PAs are expanding the prescriptive measures for non-lighting. A great example is the prescriptive building automation system offering which is a large change from what used to be available.
 - The PAs have been looking through their portfolios and looking at the projects that have been accomplished. Even if there are some HVAC projects that drive savings, they may be so infrequent that it may not be viable to make those projects prescriptive. Alternatively, some projects may be very frequent but have less savings overall. All of these are considerations for what is suitable to make prescriptive.
 - Prescriptive savings are not site-specific savings and are derived from averages.
 - Prescriptive projects also need to have parameters set in place to ensure that the level of risk relative to the savings claimed is reasonable.
 - The PAs are focused on doing this on a trial basis relative to the recommendations made to also gain insight as to what customers hope to see for prescriptive measures.
 - MRDs: there are custom express calculators either at the state level or for individual PAs and the PAs are looking at these. If they can’t go about making these projects prescriptive, then the express calculators can be used statewide to ease the savings calculations involved and increase consistency across the minimum required documentation (MRDs) because the custom express tool will standardize savings.

- It was suggested that adding a prescriptive measure could drive the volume of projects of that type so it may be worth thinking of this in reverse as well, depending on what is available in the marketplace and what projects were the most effective even if they weren't the most frequent.
- There are groups within the PAs that are looking at programs across the country to bring in new measures that are successful in other places.
- For the 3rd suggestion on the Word document "Develop a parallel track for analysis and implementation that enables projects to be expedited for qualifying customers" the PAs said the following:
 - It's in its beginning stages. The first step is to identify the customer groups (likely our MOU or our larger customers that do these kinds of projects on a more frequent basis) that would benefit from this type of approach and to determine which projects are repeated among the group. There would be the opportunity to see how this works by testing out this approach among this group.
 - Prescriptive process question: Does it make sense to coordinate this with the custom process study? It appears the custom study is trying to increase the number of custom projects and this process is trying to decrease the number of custom projects.
 - We need to do more of all the kinds of projects due to the decrease in lighting projects. The largest consumer of energy in our buildings is the HVAC system. For the PAs to achieve their goals we need to do all the above instead of choosing one or the other approach. The tension between these two efforts is something we should be aware of.
 - The budget for the custom study was limited so the scope had to be as focused as possible.
 - Including some examination of the custom express tool is a good point but unfortunately the custom study cannot also include prescriptive measures.
 - A CIWG member asked whether the study will address the newly determined line of which HVAC projects would go custom and which would go prescriptive and how it will be communicated to the customer?
 - It should be clarified how customers should deal with projects that have both custom and prescriptive measures and understand what the challenges are.
 - The custom study that is being done does not incorporate how prescriptive measures are formulated. The custom pathway will continue to be offered because there is only so much that can be prescriptive. The custom pathway includes any projects that can provide savings and make sense financially but are not prescriptive projects.

- PAs are driven by savings, but the customers are driven by other factors including budget cycles and getting these two things to align is important to understand.
 - Specifying which projects are likely to go through the prescriptive pathway is outside the scope of work in that study and is its own unique challenge.
- Communicating about Custom Processes:
 - One of the key outputs from this group was reviewing the work that was presented by PAs about what the steps in the custom process are. The feedback from this group is that it would be helpful to see this reflect more of the customer's perspective.
 - The CIWG subgroup that met at a planning session earlier this week discussed the idea of holding focus groups to get that information on the customer journey.
 - Some of the people in this group may also want to meet with the PAs as part of a focus group or as a subset of this group to develop that further.
 - Number 4 on the list from the Word document is focused on the PAs engaging with a marketing/communication firm to help glean that information from customers and then reflect it back in some of the documentation that the PAs are providing to help customers through this process as well as providing training.
- It's clear there are issues that customers are experiencing around communication. There was a recommendation to take more concrete steps to improve communication channels from the March CIWG meeting.
 - One idea for this was to establish a statewide customer service center with the ability and the authority to connect customers with project contacts as needed.
 - The Commission on Clean Heat worked to make recommendations for how the state could accelerate building decarbonization.
 - One of the key ideas was to create what's tentatively called the Decarbonization Clearinghouse. The goal of this was to act as kind of a 'one stop shop' to help customers of all different types access the resources that exist and the resources that they need to achieve their decarbonization goals. They realize this may have some overlap with what the Mass Save Program Administrators are offering now so, the next step that the administration is working on is outlining the scope for the clearinghouse.
 - In the short term the Clearinghouse could be used to make smaller changes that could supplement Mass Save.

- In the long term the group could do some evaluation to determine if there are bigger gaps in communication and what filling those gaps could look like.
- The scoping of options for a clearinghouse is in the initial stages. The goal is to make some progress on this for the rest of the calendar year and then to come up with some recommendations for the next early in 2024 to align with the 2025 3-year planning process.
- The group was asked what sort of communication gaps exist from their perspective and what the best way is to fill those gaps: supplementing the current resources or adding additional resources?
- Customers are seeking a central resource for Mass Save. These customers may not know which pathway their project is going through – prescriptive or custom, and it would be helpful for them to have the following types of guidance -
 - 1: Information on the status of their Mass Save rebate or project.
 - 2: Additional resources to achieve full decarbonization.
- There can be issues with silos where the customer calls and is given a different number for a different service. The goal is to have a location that can help with all the customer's needs outside of the Mass Save programs.
- What capacity do the PAs have to create more of a concierge service in the short term to at least help folks navigate where they should be within Mass Save?
 - For custom projects Eversource has been providing a hyperlink to where customers can have direct access to the project system where they can see where their projects are within the system.
 - To answer this question, it's a matter of syncing the project systems among the PAs and being able to leverage the third-party rebate processors. This is something that has been discussed by the PAs.
 - Some of the smaller PAs do not have a project tracking system.
 - Figuring out how to track what is in the 3rd party vendor & respective Program Administrator databases is also something that has been looked at.
 - Overlap of the project process may also be an issue so there may be a need to synchronize the steps and processes between the PAs and vendors.

- Members of this group can volunteer or nominate someone with experience with the custom process to participate in the focus group discussions with the PAs.
 - Including customers who don't have experience with the custom process may be helpful.
 - The success of the Mass Save custom pathway depends on feedback and getting people engaged.
- The recommendations from this group could provide insight to the team working on the potential Decarbonization Clearinghouse.

CIWG process review:

- What we should improve on or change for the next year of meetings:
 - Number and frequency of meetings
 - The June planning meeting was helpful and effective to talk together and prepare for these meetings.
 - Overall greater frequency of meetings needed.
 - Revisit membership to try to get more people on board, especially as we get into the three-year planning process.
 - More people with direct experience of the programs should be part of the discussion.
 - Participation at each meeting (5-7 members) is about half the number of members in the group
 - A member suggested increasing the total number of members in the group.
 - The PA representative responded that the size of the group was intended to be in keeping with the term sheet language.
 - After joining the group, several CIWG members found that they were unable to commit to attending the meetings or had changed organizations and roles.
- How to get topics for the agenda:
 - There was a survey a while back to solicit customer feedback which could be repeated. The PAs could send this out to a wider audience of their customers without the restrictions set at the previous survey.
 - Many of the responses were about the residential sector so we should revisit the distribution method for the survey.
 - The PA representative said customers were identified as C&I by the way they are metered or by billing rate. The C&I customers include HOAs and multifamily homes depending on how they are metered or billed.
 - Any commercial and industrial utility customer that has a valid email address was contacted for the survey.
 - There is still a need to look at the process of how the surveys are distributed.

- It was suggested to ask in the survey if respondents would be willing to participate in meetings like this.
 - It was noted that the aim is to have representation on the group from all the C&I segments. However, we could ask if survey respondents would want to engage further in some way with the working group.
 - It was suggested that we could invite survey respondents to engage on a particular issue -rather than ask for them to attend all the meetings of the working group.
- The purpose of the survey is to gather broader perspectives rather than a numerical analysis of customer satisfaction with programs. Having multiple people within the same organization responding to the survey would provide richer information on the ways customers with different roles engage with the Mass Save program.
- A group member suggested the survey be sent to more than just the customers that have participated in Mass Save.
 - The PA representative response was that the customer survey was sent to anyone who was a utility customer and pays into the Green Fund. This encompasses customers who receive natural gas or electricity from one of the utilities.
- In terms of process, a member noted that rehashing issues covered in previous meetings should be avoided to best utilize the CIWG members' time. The members were asked what they thought would be an efficient way to support the group to ensure that CIWG meetings are focused, productive, and enable everyone in the group to have input.
- The CIWG response was that there has been some progress from the inception of this group. The idea of having planning meetings prior to the quarterly meetings is useful.
- A member noted that the few first meetings were largely spent on presentations rather than work towards outcomes.
 - The PA representative responded that presentations provided in the kickoff meeting were requested so that those participating in this C&I working group have an understanding of the context that the PAs work in and why there may be limitations or opportunities. We want to ensure that those participating in this working group first understand the context in which the Mass Save Program Administrators operate. Some of our general customers participating may not have had this context.
- One suggestion was to break out the recommendations and have smaller groups of people continue to work on these ideas between the meetings. Even if done once between quarterly meetings, it would help maintain continuity.
- Some ideas originally talked about:

- Deep Energy Savings – as a concept not just specifically the offering. Hard to electrify large C&I. How would the customers approach DER without the constraints set out by the PAs.
- Having third party private programs – specifically where we see the programs not having success.
 - The PAs noted that they do hire 3rd party firms to go out and look for projects.
 - The PAs also noted that any vendor can receive incentives through the program.
 - Engineering firms or customers who come up with creative projects can bring the projects to the PAs.
- Stakeholder Hour:
 - There is the CIWG initiative where we request feedback and questions from the larger group of customers.
 - In these meetings we have had many questions come in about the programs
 - We are looking at ways to make that conversation deeper and have more customer engagement.
 - At the last Stakeholder Hour, there were many questions from people who participate in ConnectedSolutions and they were seeking information and provided suggestions.
 - As we dig deeper into the customer provided questions and concerns, we are reminded that we have this forum with every CIWG meeting that we open to customers.
 - One of the ideas that was brought up is to put out questions that come from the survey during these meetings and have a panel discussion people can participate in.
 - Notes are shared from these past meetings, so everyone knows what was discussed.
- It was noted that to set the stage for deeper conversations about the topics under discussion going forward, we should take a step back and redefine some of the terminology that we are using to ensure that we are all on the same page in our definitions.
- A note was made to ensure that the members of CIWG receive an invitation to register for the Stakeholder Hour as well as announce more of this information during the CIWG meetings.