

1
2
3
4
5
6
7
8
9

**Cape Light Compact
Executive Committee Meeting
Friday, May 10, 2013
Open Session Meeting Minutes**

10 The Executive Committee of the Cape Light Compact met on Friday, May 10, 2013 at 9:00 a.m.
11 in the Commissioner's Meeting Room, Superior Court House, 3195 Main Street, Barnstable, MA
12 02630.

13
14
15

Present were:

16 Joyce Flynn, Chairwoman, Yarmouth
17 Robert Schofield, Vice-Chair, Bourne
18 Peter Cocolis, Treasurer, Chatham
19 Barry Worth, Secretary, Harwich

Absent:

Peter Cabana, Member at Large, Dukes County

20
21
22

Staff Present:

23 Maggie Downey, Compact Administrator
24 Margaret Song, Residential Program Manager
25 Meredith Miller, C&I Program Manager
26 Karen Loura, Administrative Assistant
27 Phil Moffitt, EM&V Manager
28 Debbie Fitton from 9:29 a.m.

29
30
31

CALL TO ORDER

32 At 9:00 a.m. Chr. Flynn called the meeting to order.

33
34
35

**2013 ENERGY EFFICIENCY PLAN – DISCUSSION AND POTENTIAL VOTE ON EFFICIENT
NEIGHBORHOODS PLUS INITIATIVE**

36 M. Song, Residential Program Manager distributed a Power-point presentation entitled Efficient
37 Neighborhoods & Selection (Attachment A). This program is required by the MA DPU as part
38 of the 2013-15 EE Plan and targets economically hard-to-reach 1-4 family residential customers.
39 There was discussion relative to the Selection Process used to determine participating Towns.
40 There was discussion concerning whether the Compact should choose a single town within the
41 CLC service territory or offer participation more broadly. There was also discussion about the
42 timing (June – September) and availability of our customers this time of year. It was suggested
43 that CLC inform the PA's that CLC will not be participating and will pass on opportunity but
44 would like to revisit the matter in September. Discussion followed. *P. Cocolis moved to bring
45 the matter to the Governing Board at the June Meeting asking for a vote that due to the timing
46 and season of our communities, we are declining participation in this event at this time.
However we will participate in September, seconded by R. Schofield and voted unanimously in
favor.*

47
48
49

ENERGY EFFICIENCY PENETRATION STUDY

50 The Executive Committee then reviewed and discussed the Schedule and Scope of Penetration
51 Study: 2002-2013 Energy Efficiency Programs (Attachment B). Cost of the Study will be
52 determined through a competitive bid process, and will support the 2013-2015 Energy Efficiency

47 Plan. B. Schofield moved to proceed with a Request for Proposals on the Scope of the Study and
48 to authorize staff to proceed with implementation of the penetration study, seconded by P.
49 Cocolis and voted unanimously in favor.

50

51 **JUNE 5TH ENERGY EDUCATION AWARDS CEREMONY**

52 P. Moffitt reported on the following National Energy Education Development Awards being
53 made to Cape Schools:

- 54 • 1st Place State (Senior Level): Boston Latin
55 Runners-up: Sandwich High School
56 Cape Cod Regional Technical High School
- 57 • 1st Place State (Middle School Level): Forestdale "SPIT & Sparks Club"
58 Runner-up: Bourne Middle School
- 59 • 1st Place State Elementary Level: Eastham Elementary School
- 60 • 1st Place Special Projects: Harwich Middle School

61 An Award Ceremony is scheduled for Wednesday, June 5, 2013 at the Mass. State House at
62 10:00 a.m. D. Fitton, Energy Education Coordinator will circulate a flyer with details and will
63 be asked to reach out to the Towns with winners and invite them to participate.

64

65 B. Schofield left the meeting at 10:05 a.m.

66

67 **Other Reports:**

68 **Mil adder:**

69 There was discussion concerning the report by Peter Kenny that the Cape Light Compact mil
70 adder generated \$20 million/year. This is inaccurate. The mil adder generates \$1 million/year.
71 The mil adder has not changed.

72

73 **Assembly of Delegates:**

74 J. Flynn reported that she will appear before the Assembly of Delegates in July with P. Cocolis
75 to review the Cape Light Compact Audit report.

76

77 The Executive Committee adjourned the meeting at 10:11 a.m.

78

79 Respectfully submitted,

80

81

82 Karen E. Loura

83 Administrative Assistant

84

85 Reviewed by B. Worth, Secretary on 6/3/13.



Efficient Neighborhoods + Selection

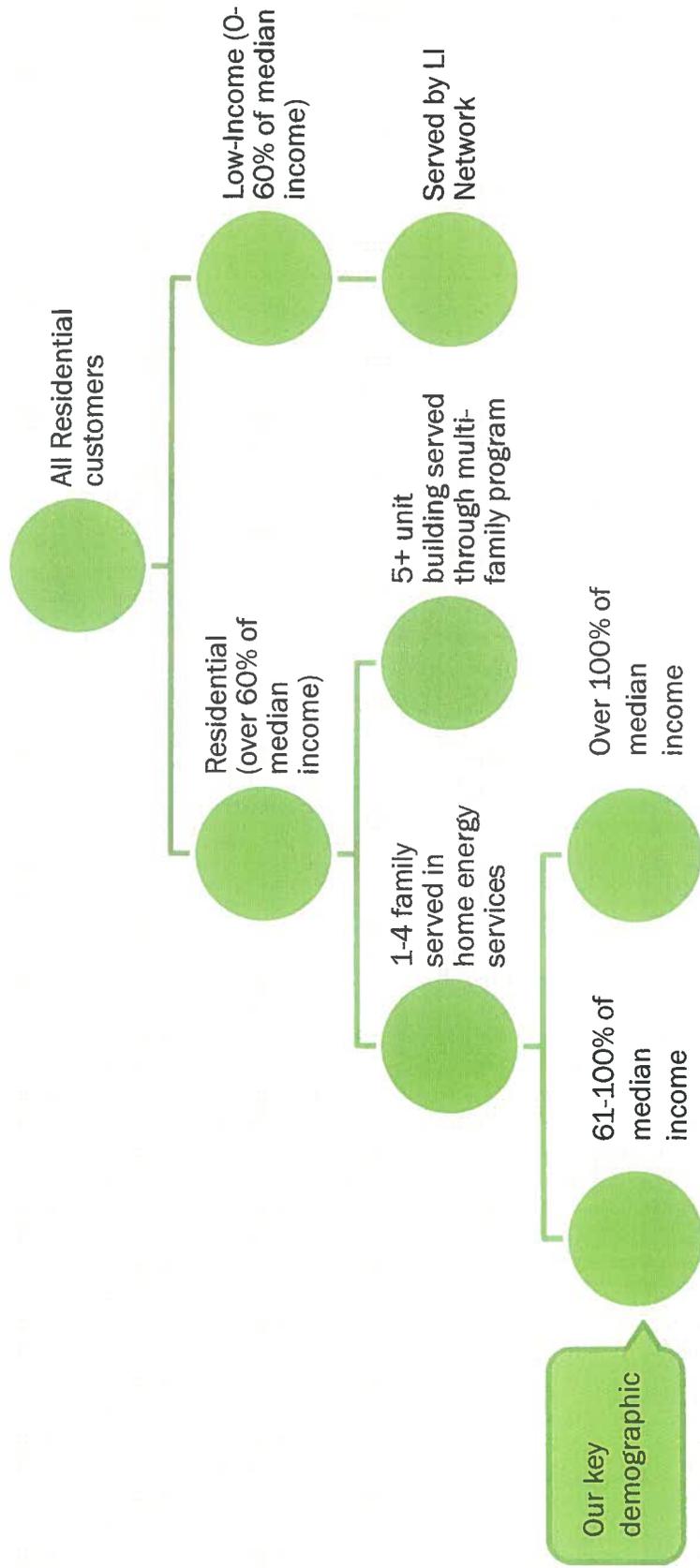


Executive Committee, Cape Light Compact, May 10, 2013

Efficient Neighborhoods + Overview

- ☞ Required by the MA DPU as part of approval of the 2013-2015 Energy Statewide Energy Efficiency Plan
- ☞ Offered by electric and gas program administrators across the state
- ☞ **Objective:** Reach economically hard-to-reach customers in the residential 1-4 family retrofit market (not low-income)
- ☞ **Target:** Lower to moderate-income consumers in designated communities
- ☞ **Program Model:** Provide enhanced incentive structure with a whole-building approach
- ☞ **Milestones:**
 - Define target neighborhoods and finalize design by Q1 2013.
 - Test initiative June – September 2013
 - Assess results

Who does this address?



What is the low-income threshold?

# of household members	2013 Income Guidelines
1	\$31,271
2	\$40,893
3	\$50,515
4	\$60,137
5	\$69,759
6	\$79,381

These are the guidelines that we used to screen out customers as the low-income customers are eligible for 100% incentives for cost-effective measures.

Process for Selection

- Used American Community Survey (ACS) Data for 2007-2011
 - Data fields of interest available at the census block group level
 - Core data fields (housing count, population count, income, housing stock, home ownership status)
- Used geo-mapping software to overlay ACS data with a map of PA service territories and Massachusetts' towns.
- Result is a data file that links PAs and towns to census block groups data.

Process for Selection, Part 2

- ☞ Target communities have a higher than average number of households with:
 - Incomes falling between 61% and 100% of median income
 - 1 – 4 unit buildings
- ☞ Avoid communities with high concentrations of:
 - Low-Income Program eligible customers
 - Multi-family (5+ units) buildings
- ☞ Analyzed income and building stock data fields to identify target communities
- ☞ Ran multiple iterations to identify optimal thresholds for community inclusion
 - Inspected a variety of descriptive statistics (means, medians, standard deviations, percentage distributions)
 - Constructed multiple scenarios to analyze for fit
 - Conducted analysis overall and by PA

Process for Selection, Part 3

- ✎ In-depth analysis of the list of qualified communities to select communities to include in the initiative
- ✎ Consideration of such factors as:
 - Prior participation in PA-administered energy efficiency programs
 - Percentage of renters vs. owners
 - Whether a community was selected as a Gateway/Environmental Justice community
 - Building stock and characteristics (age, size, etc.)
 - Other characteristics
- ✎ For selected communities, map customer addresses and rate codes to support custom targeting
 - Identification and removal of the low-income rate codes

An Analysis of Cape Towns

TOWN	Total % of hh <60% median income	Total % of hh 60-100% median income	Total % 1-4 unit buildings	Total % of 5+ unit buildings
BARNSTABLE	36%	12%	91%	9%
YARMOUTH	39%	17%	89%	11%
BREWSTER	37%	18%	100%	0%
FALMOUTH	38%	16%	100%	0%
TRURO	24%	24%	100%	0%
ORLEANS	38%	26%	91%	4%

3000⁺

The town with the best fit in the criteria is Truro because they have least % of low income households and one of the highest % of the target audience (60-100% of median income), and 100% of the target housing (1-4 housing units).

Another benefit of Truro is that there is no natural gas company, so all incentives offered would be from Cape Light Compact.

All other towns have gas coordination, and National Grid has already chosen towns off-Cape. As a result, CLC would not be able to offer gas customers: Boiler/Furnace Incentive Adder, Early Boiler Replacement Rebate, and the Whole House Adder Package

Enhanced Incentive Structure

Enhanced Incentive Description	Enhanced Incentive	Existing Incentive
Common Area Lighting (LED or CFL depending on fixture)	\$120	\$0
Pre-Weatherization Barrier Incentive	* Up to \$800	\$0
90% up to \$3000 Insulation per unit/single family	\$1,980	(Based on historical job costs) \$1,650
2-4 Family Landlord Whole House Insulation with Adder (50% of Customer Contribution)		(Based on historical job costs)
2 Family	\$5,130	\$4,000
3 Family	\$7,695	\$6,000
4 Family	\$9,500	\$7,500
Early Retirement Refrigerator (ENERGY STAR® labeled)	\$200	\$150
EN+ Boiler & Furnace Incentive Adder	\$100	**\$0
Early Boiler Replacement (EBR) Rebate with Additional \$500 Incentive for Non-owner Occupied Properties	Unrestricted Timeline (\$4,000)	Restricted Timeline (\$4000)
EN+ Whole House \$500 Incentive Adder Package Insulation + Heating Equipment	\$500	\$0

*Multiple barriers allowed: Knob & Tube/Dryer Venting = \$250 each, High CO = \$300

**Existing gas boiler rebates \$1,000-\$1,500, Existing gas furnace rebates \$300-\$450, Existing Oil equipment \$400-\$500

Things to Consider...

- ⌘ **Timing:** June to September has a high level of tourist traffic.
Will it work for us?
- ⌘ **Town selection:** Are we ok with one town, or do we wish to have multiple towns?
- ⌘ Other considerations or questions?

Schedule and Scope of Penetration Study: 2002-2013 Energy Efficiency Programs

Proposed Schedule

2013:	Task or Deliverable
▪ May 3	Maggie reach-out to PAs
▪ May 13	Phil obtain comments/input from Ralph P by May 27
▪ May 21	Maggie reach-out to Eric B & Jeff S
▪ May 31	Complete Scope of Work and RFP
▪ June 3	Issue RFP
▪ July 22	Proposals Due
▪ September 2	Contract Award
▪ September 16	Kick-off study
2014:	
▪ April 1	Draft Phase I report (data thru 2012)
▪ August 1	Draft Phase II report (data thru 2013)
▪ September 1	Final Report

Scope of Work

Cape Light Compact-specific Penetration Study: 2002-2013 Energy Efficiency Programs

- I. MA DPU Order dated January 31, 2013 (D.P.U. 12-107) included the following requirement:
 - a. "The Program Administrators with an aggregate three-year savings goal of greater than 20 percent below the statewide three-year aggregate goal will conduct a study, either jointly or individually, during the upcoming three-year term to **document the penetration of energy efficiency within its service territory and the remaining cost-effective energy efficiency opportunities available.**"
- II. Define "**penetration of energy efficiency**" within the Compact service territory as it relates to tasks proposed by vendor
- III. Include program activities beginning January 1, 2002 through December 31, 2013
 - a. Phase I: Available data from 1/1/2002-12/31/2012
 - b. Phase II: Available date through 12/31/2013
- IV. Define "**remaining cost-effective energy efficiency opportunities available**"
 - a. Based on programs and measures approved and available for delivery under the Massachusetts Three-Year Energy Efficiency Plan for 2013-2015 and any

new measures that may become available as cost-effective program offerings including but not limited to new measures developed through the MTAC process in the near term

- V. For each of the three sectors (Residential, Low Income and Commercial & Industrial) including Programs and/or Measures, as applicable, specific to the Cape Light Compact territory:
- a. Assess the size and characteristics of each sector, including but not limited to: baseline energy consumption, end-use technologies driving demand and usage, load shapes, space heating fuel-type(s) within single family homes and businesses;
 - b. Identify any unique market segments (e.g., year-round vs. seasonal, second homeowners, landlords, tenants, few number of very large commercial & industrial customers, commercial small businesses in residences, residential spaces within commercial buildings, for example) that may assist in the investigation and findings;
 - c. Investigate how knowledgeable customers are about energy efficiency measures and programs and what has been or is their intent to participate in programs and install measures;
 - d. What has been the program participation rates and what are the identified barriers to implementation of additional cost-effective energy efficiency measures;
 - e. What has been the cumulative energy savings since January 1, 2002 through customer participation in comprehensive energy efficiency programs administered by Cape Light Compact and how has this affected annual electricity sales for the territory;
 - f. What has been the annual summer and winter demand savings since January 1, 2002 through customer participation in comprehensive energy efficiency programs administered by Cape Light Compact and how has this affected the annual winter and summer demand of the territory;
 - g. Identify future reductions in energy use associated with naturally occurring market forces such as technological change, energy prices, consumer attitudes, market transformation efforts and improved energy codes and standards;
 - h. Review and utilize any relevant published studies specifically the following: *Massachusetts Single-Family Potential Study (cite)* & *Multi-family Potential Study (cite)* along with other applicable evaluation studies included with the Cape Light Compact Annual Reports (see Appendix 4.4)
 - i. Based on above data and analysis, provide scenarios that estimate the remaining cost-effective energy efficiency opportunities available for each of

the three sectors, include in these scenarios the estimate of electric and non-electric energy savings opportunities and suggest any changes, enhancements or strategies that may be recommended to achieve these projections including but not limited to: program design, delivery, staffing or administrative changes.

Draft RFP Outline

- 1. Introduction**
 - 1.1. *To All Prospective Bidders*
 - 1.2. *About Cape Light Compact*
 - 1.3. *Notice to Bidders*
- 2. Overview**
 - 2.1. *Purpose of the RFP*
 - 2.2. *Overview of Energy Efficiency Programs*
 - 2.3. *Scope of Work*
 - 2.4. *Contract Term*
- 3. RFP Fundamentals**
 - 3.1. *Bidder Prerequisites*
 - 3.2. *Roles and Responsibilities*
 - 3.3. *Requirements*
 - 3.4. *Planned RFP Schedule*
 - 3.5. *Contract Award*
 - 3.6. *Proposal Process and Guidelines*
- 4. Appendices**
 - 4.1. *Appendix A – Massachusetts Three-Year Energy Efficiency Plan for 2013-2015*
 - 4.2. *Appendix B – Massachusetts Three-Year Energy Efficiency Plan for 2010-2012*
 - 4.3. *Appendix C – Cape Light Compact Energy Efficiency Plans for 2001-2009*
 - 4.4. *Appendix D – Cape Light Compact Annual Report on Energy Efficiency Activities for each of the Years 2002 – 2012*
 - 4.5. *Appendix E - Available Data Categories and Data Elements from 2002 to current*
 - 4.6. *Appendix F – Contract*
 - 4.7. *Appendix G – Intent to Respond Form*
 - 4.8. *Appendix H – Pricing Worksheet (Hours by Task and T&M Rates)*
 - 4.9. *Appendix F – Bidder Checklist*