Assessment of Massachusetts Energy Efficiency Advisory Council
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I. Introduction and Methodology

Raab Associates, Ltd. (with the Consensus Building Institute) were retained by the Energy Efficiency Advisory Council (EEAC) to conduct an assessment of the ongoing EEAC process, and to develop a strategic engagement plan for the development of the next three-year statewide energy efficiency plan for 2016-2018. This document focuses on the EEAC assessment, and a separate document will cover the proposed engagement plan.

The methodology we used to conduct the assessment included several components:

1) Review of key documents (including foundational documents such as the Green Communities Act and EEAC By-Laws as well as meeting related documents such a agendas, meeting summaries, and presentations);
2) Observation of EEAC meetings and EEAC Executive Committee (ExCom) meetings;
3) Interviews with EEAC Councilors (voting and non-voting, and two former councilors), EEAC Consultants, and MA DPU staff; and
4) Discussion and feedback with the ExCom on our approach and initial findings/options for improvement. Below is a table of our interviewees, and Appendix I includes our interview protocol:

Table 1: EEAC Assessment Interviewees

| Organization	Name
Associated Industries of Massachusetts	Robert Rio
Berkshire Gas	Michael Sommer
Cape Light Compact	Maggie Downey
City of Boston	Brad Swing
Columbia Gas of Massachusetts	Elizabeth Cellucci
Dana Farber Cancer Institute	Richard Malmstrom
EEAC Consultants	Eric Belliveau/Jeff Schlegel
Energy Consumers Alliance of New England	Larry Chretien/Eugenia Gibbons
Environment Northeast	Amy Boyd/Jamie Howland/Peter Shattuck
Greentek	Paul Johnson
ISO New England	Eric Winkler
Liberty Utilities	James Carey/Trish Walker
Local Initiatives Support Corporation	Elizabeth Glynn
Low-Income Energy Affordability Network	Elliot Jacobson
MA Clean Energy Center	Jeremy McDiarmid (former councilor)

MA Department of Energy Resources	Christina Halfpenny
MA Dept. of Environmental Protection	Nancy Seidman/Sharon Weber
MA Department of Public Utilities	Jonathan Goldberg/Carla Mottola
MA Office of the Attorney General	Matthew Saunders
Massachusetts Association of Realtors	Michael McDonagh
National Consumer Law Center	Charlie Harak
National Grid	Carol White
Northeast Utilities	Frank Gundel/ Tilak Subrahmanian
PA Attorney/Rich May, PC	Emmett Lyne
Peregrine Energy	Paul Gromer
Tufts University	Penn Loh (former councilor)
Unitil	Cindy Carroll

II. Brief Background, Pertinent History, and Structure of the EEAC

Massachusetts' electric utilities and gas utilities were providing ratepayer-funded energy efficiency programs to their customers prior to the Green Communities Act of 2008 (GCA). The GCA established a legislative mandate for energy efficiency Program Administrators (PAs) comprised of the electric and gas investor owned utilities and the Cape Light Compact, to pursue all cost effective energy efficiency, and it also established the EEAC. The legislative purpose of the EEAC as set forth in Chapter 25 of the General Laws, Section 22(b) is: "*the Council shall seek to maximize net economic benefits through energy efficiency and load management resources and to achieve energy, capacity, climate and environmental goals through a sustained and integrated statewide energy efficiency effort*." The EEAC, when initially established, included 11 voting councilors and 10 non-voting councilors (including all the PAs). In 2012, the Legislature added 4 voting councilor seats and 1 non-voting councilor seat to the EEAC; thereby increasing the total EEAC to 26 councilors (15 voting and 11 non-voting councilors).

The EEAC is chaired by DOER, and is supported by a team of consultants through a contract with Optimal Energy. The EEAC meets monthly for roughly half a day. In 2011, DOER established an Executive Committee (ExCom) comprised of four voting Councilors (DOER, AG, ENE, and LEAN) to assist DOER in developing agendas, drafting resolutions, and identifying contractors for the full EEAC.   In addition to the EEAC's formal structure, the PAs host and run Management Committees where the PAs get together with each other regularly to discuss largely energy efficiency program implementation issues and EEAC consultants (and occasionally other EEAC councilors with expertise in the agenda topic) are invited to participate in portions of these meetings. These Management Committees include C/I, Residential, Low Income, Evaluation, and Planning & Analysis. The figure below depicts the structure, reporting relations, and interactions of the EEAC related activities.

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EEAC/Program Administrator Structure
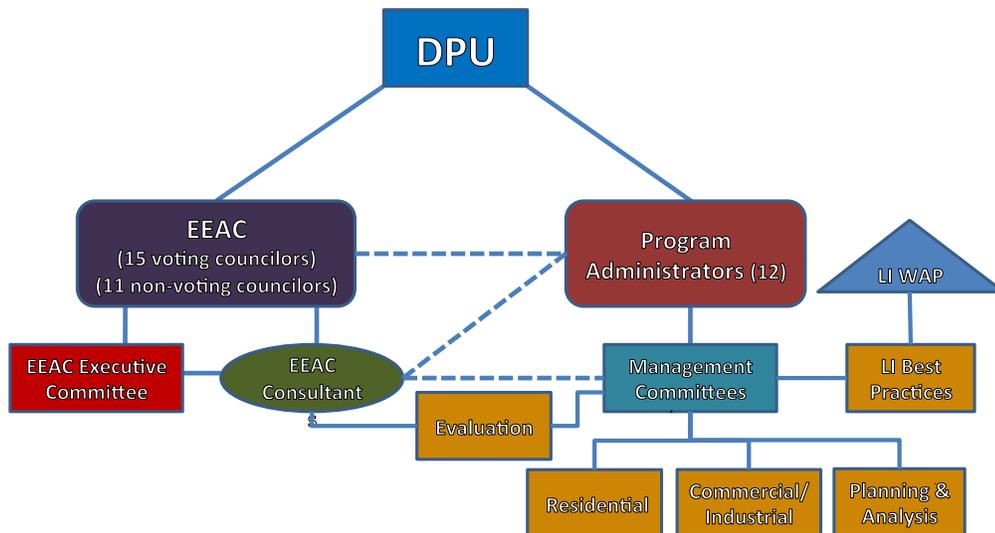
> It is important to note at the outset that the EEAC has unanimously endorsed the prior two, three-year plans submitted by the PAs to the DPU for approval, and that these plans were approved with only minor modifications by the DPU. Moreover, beginning in 2010 and for four years running, the American Council for an Energy-Efficient Economy (ACEEE) has ranked Massachusetts the #1 state in the nation in terms of its portfolio of energy efficiency policies and programs. The EEAC was also awarded "Champions in Energy Efficiency" in 2014 and in the most recent ranking (in 2014 for the 2013 program year), ACEEE gave the "Utility & Public Benefits Programs & Policies" portion of its ranking a perfect score of 20 out of 20 points.

In January 2013, the DPU gave the EEAC the authority to approve Category 1 mid-term modifications (MTMs) proposed by the PAs. Category 1 MTMs include 1) the addition of Hard-to-Measure energy efficiency programs; 2) the termination of an existing energy efficiency program or Hard-to-Measure energy efficiency program; 3) a change in the three-year term budget of an energy efficiency program or Hard-to-Measure energy efficiency program of greater than (a) 20 percent, or (b) a dollar value to be specified by the DPU; or 4) a modification to the design of an energy efficiency program that is projected to result in a decrease in program benefits over

the three-year term that is greater than 20 percent. If the EEAC passes a resolution supporting the proposed modification, the PA may implement the modification. More significant Category 2 MTMs are submitted to the EEAC for review, but must then be reviewed and approved by the DPU before a PA can implement. To date, one set of Category 1 MTMs have been brought before the EEAC, and was approved. No Category 2 MTMs have been submitted to the EEAC since January 2013.[1]

Despite its many accomplishments to date and national recognition, our interviews revealed a growing frustration among voting and non-voting councilors regarding certain aspects of the EEAC process that we delineate below, along with our recommendations of potential options to address many of these concerns.

III. Findings and Recommendations for Improvement

During our assessment activities we focused on the following topics related to the ongoing EEAC process:

- Overall Effectiveness of EEAC Process
- Scope and Purview of the EEAC
- Roles and Responsibilities (including the EEAC; PAs; EEAC Consultants; ExCom; and DOER)
- EEAC Size and Makeup, and Participation of EEAC Councilors
- EEAC Meeting Dynamics and Logistics

A. Overall Effectiveness

Interviewees acknowledged that the EEAC has been very effective in coming to agreement with the PAs and approving the last two three-year plans. Similarly, the EEAC has, after deliberation, given unanimous support to Category 1 MTMs when requested by the PAs. Moreover, EEAC voting and non-voting councilors are generally proud of the fact that these three-year plans and their implementation have moved Massachusetts into the number one spot in the ACEEE's state energy efficiency rankings for the last four years.

There is, however, a broadly held view that the EEAC is not as effective and efficient as it should be, and that its effectiveness is deteriorating rather than improving. Recent failure to meet the statewide annual goals due largely to underperformance in the large commercial and industrial sector programs among some utilities, and an ongoing dispute around the appropriate data that the PAs should be providing the EEAC and its consultants have led to a palpable level of tension and frustration.

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[1] Prior to DPU's new MTMs requirements issued in 2013, two other sets of MTMs were reviewed by the EEAC, filed with the DPU, and implemented by the PAs.

Numerous interviewees attributed the increase in the size of the EEAC from 21 to 26 voting and non-voting councilors as a contributing factor to a general sense that the EEAC has gotten more challenging to manage effectively and efficiently. The introduction of an Executive Committee (ExCom) has been beneficial to DOER in its role as Chair and to the EEAC, but it has not been a sufficient counter-weight to the growing contentiousness brought upon by the gaps in program implementation and the confrontation over data adequacy issues.

At the conclusion of each interview we asked interviewees: "*If you could make one change to improve the effectiveness of the EEAC process, what would it be*?" The three things that were mentioned the most frequently:

- Clarify mission, purpose, and scope of EEAC and roles and responsibilities of councilors, PAs, and consultants
- Improve meeting management including use of an independent/experienced facilitator
- Establish a more collaborative feel to the process

While we detail our extensive findings and recommendations below, in general terms, we found that establishment of greater autonomy for both the EEAC and PAs was desired. In short:

- Many EEAC councilors (and consultants) want more autonomy to deliberate, decide, and recommend with necessary data from PAs, but without the PAs trying to overly "shape, steer, and thwart" and
- The PAs want more autonomy to implement their energy efficiency programs without EEAC or it consultants "micromanagement."

B. Scope and Purview of the EEAC (and EEAC's Roles & Responsibilities)

Our interviews found substantial confusion among councilors regarding the scope and purview of the EEAC in certain areas, primarily but not solely in implementation of the three-year plans, as distinct from their development. Interviewees understood the EEAC's role in reviewing and "approving" the high-level goals, budgets, and performance incentives in the three-year plans (a.k.a. Term Sheets), and in the EEAC's handling of any MTMs proposed by the PAs. There was also general agreement that the councilors should be weighing in on "high level EEAC strategic priorities" during the development of the three-year plans. But there was less agreement (and general confusion) about where to draw the line between high-level EEAC strategic priorities and more tactical and detailed program design issues that could be left to the PAs' discretion.

It was also pointed out by numerous interviewees that the development of EEAC "priorities" was not sufficiently rigorous during the prior three-year planning process (more of a compilation of individual EEAC councilor priorities, than a more focused, sifted, and prioritized list). While interviewees stated that the priority

setting process has improved since then, some would still like to see greater detail in the priorities.. Clear, specific, and agreed on EEAC priorities are critical for the PAs to be able to respond to both in their 3YP development and during implementation (and as the basis for providing the consultants clearer marching orders).

We also heard about a bit of a Catch-22 like issue (from the PAs and others) with respect to the level of detail in the three-year plans and the EEAC role in reviewing that detail. On the one hand, there needs to be enough program-specific detail that the EEAC and the DPU can clearly see that there are reasonable pathways to achieving the higher-level goals. However, once that detail is included in the three-year plans, it is within the purview of the EEAC to review and approve. In this regard, the 2013-2015 three-year plan included more detail than the 2010-2012 three-year plan. This greater level of detail lead to EEAC engagement with the PAs at a level of granularity that the PAs feel should be left to their prerogative and not overly directed by the EEAC and its consultants.

The issues surrounding the lines between high-level strategic advice on one end, day-to-day program operations on the other, and detailed program design in the middle carries over even more prominently to the implementation phase of the three-year plans, where there exists the greatest confusion among councilors (both voting and non-voting) about the appropriate scope and purview of EEAC oversight. Councilors (including the PAs) acknowledge that there is a distinct and important role for the EEAC when formal modifications are needed and proposed by the PAs— to approve Category 1 MTM and to review and consider endorsing Category 2 MTMs. And, while there is a general understanding that during the implementation phase the EEAC requests and receives periodic updates on progress (through the monthly dashboards and quarterly reports), and provides advice to the PAs if goals are not being met, there is no clear understanding of what that advice can and should entail. Also, it's not clear what the EEAC's roles and responsibilities and activities should be, if the PAs are fully on track to meeting their goals.

Below, in Table 2, is our overall understanding of the primary roles and responsibilities of the EEAC, PAs, and consultants during both the three year plan development and implementation of the plan.

Table 2: Primary Roles and Responsibilities of EEAC, PAs, and Consultants

PARTICIPANT	ROLE
EEAC	• Establish EEAC priorities • Negotiate high level goals, savings, and PA incentives with PAs, and advise on high-level strategy • Review and approve three year plans and budgets • Review and approve Category 1 MTMs, and review Category 2 MTMs • Review program cost-effectiveness • Advise PAs on program implementation challenges • Report annually (and as needed) to the DPU
Program Administrators	• Develop 3-Year plans (in coordination with the EEAC)[2] • Implement the plans by administering the EE programs • Provide quarterly reports, updates, data, and information to the EEAC on implementation progress and any challenges/gaps • Propose solutions to EEAC on any gaps, seek advice, engage in joint problem solving with EEAC (and its consultants) • Adjust programs as the PAs deem appropriate
EEAC Technical Consultants	• Advise the EEAC • Work with the PAs on joint problem solving, when tasked by the EEAC • Develop the EM&V plan with the PAs

Recommendations regarding scope and purview of the EEAC (including Council's roles and responsibilities):[3]

1. Development of Three Year Plans
   a. Clarify EEAC's scope and purview (and hence roles and responsibilities) regarding the delineation particularly between high level strategy, detailed program design, and day-to-day operations. (We suggest a deliberative exercise and discussion with the EEAC that takes a couple of existing or illustrative programs and outline them from the highest level strategic issue through detailed program design to the lowest level day to day operational issue—and to discuss where the demarcation should be between the issues/decisions that the EEAC should be weighing in on, and which they should be leaving to the PAs discretion. This line may change from program to program or in different situations (e.g., if a program is not meeting its goals.)

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[2] Section 21 (b)(1) uses the term "coordination". In practice this has been, and should likely continue to be, a process of consultation and negotiation.

[3] While the findings are a mix of things that we heard during the interviews and things that we observed, the recommendations are strictly ours throughout this assessment.

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2. Better define the roles and responsibilities of the EEAC during the implementation phase of the three-year plan. In particular, the EEAC should delineate:

    a. Ongoing or periodic activities that the EEAC must undertake (review of PA quarterly reports, annual EEAC report, etc.);
    b. The EEAC's roles and responsibilities when the PAs appear to be falling short of achieving their goals; and
    c. EEAC activities when the PAs are meeting their goals.

3. The biggest challenge occurs when there is a gap in implementation (a short-fall in meeting goals in a particular area). When this arises, there needs to be a clear process for managing this event; one that does not end in prolonged and unproductive "recycling" between PAs and EEAC. We propose the EEAC use the following stepwise process as a starting place (to be discussed, further detailed, and fine tuned by the EEAC and the PAs):

    a. The EEAC seeks to agree on what is a "gap" versus a tolerable margin (i.e., What percentage shortfall constitutes a gap vs. a tolerable margin?)
    b. PAs identify and diagnose the problem, and provide the EEAC with the necessary information to allow the EEAC (and its consultants) to provide feedback and advice.
    c. PAs develop solution options to close the gap, and review with the EEAC (and its consultants) for feedback and advice, including a review of feasibility and effectiveness, and, if needed, alternative solution proposals by the EEAC (and its consultants).
    d. EEAC and PAs make a good faith and concerted effort to resolve differences through joint problem solving and negotiation
    e. If the EEAC and PAs do not agree on a path forward after the good faith and concerted effort, the PAs are obligated to file a proposed solution with the EEAC and the DPU
        i. EEAC reviews and approves (or rejects) any associated Category 1 MTMs associated with proposed solution
        ii. EEAC would file its comments on PAs proposed solution, and any preferred EEAC alternative with DPU
    f. DPU retains authority to approve "major" changes, and resolve any lingering "major" disputes between PAs, EEAC, and other stakeholders

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C. Executive Committee (ExCom)

The Executive Committee (ExCom) was put in place by DOER in 2011[4]. DOER created the ExCom to assist DOER in its role as Chair of the EEAC with various tasks, including developing agendas for the EEAC meetings, developing resolutions for the EEAC's consideration on a variety of matters, and overseeing the selection process and management of the EEAC contractors.[5] The four ExCom councilors include representatives from DOER (who chairs the ExCom), the AG, Acadia Center (formerly Environment Northeast), and LEAN. This constellation was proposed by DOER, and approved by the EEAC as part of the ExCom Charter and has not changed since its inception. ExCom meetings are open to the public, and are regularly attended by representatives of the PAs (and their attorneys), the EEAC consultant lead, and at least one other voting councilor.

Generally, the non-ExCom councilors that were interviewed felt that the ExCom was a needed and useful body. It is helpful to have the ExCom develop EEAC agendas, and assist DOER in handling logistical issues that need not come before the EEAC. Many interviewees felt that the ExCom's role to vet and pre-digest issues ("separate the wheat from the chaff") and bring more refined issues and draft resolutions to the EEAC is necessary. However, some iterated the importance of the ExCom not making important decisions on behalf of the EEAC, some were concerned about the recent confusion around a draft sense of the council brought to the EEAC by the ExCom, and some were concerned that the PAs may unduly influence the ExCom at times. There was also some concern expressed by some non-ExCom councilors about the make-up of the ExCom and that there be an opportunity by the EEAC to review and potentially rotate the seats not held by DOER or the AG. Some suggested the possibility of adding a 5th seat for a C/I representative, and some PAs expressed an interest in having a formal PA seat on the ExCom.

For those who are ExCom councilors or regularly attend the ExCom meetings, there is a general sense that the meetings tend to be more meaty and productive than the monthly EEAC meetings. However, there is also a sense from many we interviewed and reinforced by our own observations of the ExCom, that the meetings are not as clear or efficient as they could be. They often do not have detailed agendas that are put out much in advance of the meetings. The ExCom meetings were originally designed to be monthly and to last for an hour. However, they often run well over an hour due in part to the volume of topics and to the number of people who want to participate. We also noted in reviewing the ExCom meeting minutes that they were

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[4] It is not specified in the GCA or part of the original EEAC construct.

[5] The ExCom's responsibilities are clearly delineated in the ExCom Charter: 1) Manage Council Consultants; procurement, compensation and general oversight and address operational administrative matters regarding Council consultant; 2) Identify ways to enhance efficiencies in the Council's activities; 3) Act as a sounding board for Council on emerging issues and initiatives. And 4) Make recommendations and report to the full Council on actions and activities of the Committee.

more like a transcript, rather than a high-level meeting summary as is produced for the EEAC meetings.

While DOER purposefully runs the ExCom meetings in an open, free-flowing, and collegial manner, the conversations are often dominated by non-ExCom councilors and there is not clear distinction or priority given to the ExCom councilors in the discussion (or even a clear seating arrangement). Given the confines of Open Meeting Laws such that this is really the only time that the ExCom councilors can speak together, this is particularly frustrating to some of the ExCom councilors. On the other hand, the PAs prefer the free-flowing nature of the ExCom and the opportunity that it provides them to discuss issues, as different than the EEAC meetings where they feel more constrained.

Recommendations regarding the ExCom:

1. Clear delineation of ExCom councilors in seating, and priority in speaking at meetings.

2. Periodic review of ExCom membership by EEAC. Consider more formal make-up, representative of the EEAC (e.g., DOER, AG, Residential/Low-Income seat, C/I seat, and Environmental seat)

3. Consider whether the PAs should have an ex-officio seat on the ExCom, and if so how their roles, responsibilities, and rights would differ, if at all from the other voting Councilors on the ExCom.[6]

4. Consider fixed terms for ExCom members (e.g., two years).

5. More detailed agendas (topics, times, objectives/questions) distributed at least 3-4 days ahead of ExCom to allow for better preparation.

6. Meeting notes that are not transcripts but high level summaries that include for each topic, issue description, key discussion points, and resolution/final disposition.

7. Find a way to streamline ExCom meeting summary approval such that it does not take up already scarce EEAC meeting time--perhaps they can be approved at the subsequent ExCom meeting (and not at the EEAC) with both drafts and final meeting summaries shared with EEAC.

8. Firmer facilitation to stay on task and time.

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[6] We note that there was confusion at the ExCom meeting on 11/19 for the review of this document, about whether or not the PAs were currently an ex officio member of the ExCom. The ExCom Charter does not refer to ex officio status but says that the "…Executive Committee will provide opportunities in its meetings for Program Administrators and other Council members who are not also members of the Executive Committee to express their views on the topics the Executive Committee considers."

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D. EEAC Consultants

The GCA specifies that the EEAC may retain consultants to assist them in their work, but caps the consulting budget at 1% of the PAs overall budget. The GCA does not specify what the consultants can and cannot do.

Currently a team of consultants is retained by the EEAC under an umbrella contract with Optimal Energy for over $1 million per year. The EEAC consultants perform a variety of functions for the EEAC both during the development of the three-year plans and during the implementation of those plans. The work ranges from high-level analysis of the goals and goal compliance; to detailed reviews and comment on energy efficiency strategy, program design, and evaluation; to numerous more administrative tasks (website design/maintenance and meeting summaries).

We received extensive comments from almost everyone regarding the role of the consultants, including a near universal recognition of the current (and seemingly growing) tension that exists between most of the EEAC consultants and the PAs that is permeating (and disrupting) EEAC and even ExCom meetings. At the heart of the tension is a dispute over the role of the EEAC consultants, including what role they have in "oversight" of PA programs, their role in more detailed program design, how they are tasked vis-à-vis the EEAC, and how much data the consultants need to do their job effectively. Most voting councilors consider the consultants' expertise and insights invaluable in helping the EEAC better understand the PAs goals, plans, and programs. However, numerous councilors feel that the EEAC consultants are severely hampered from giving meaningful advice to the EEAC by not having access to more and better data. The EEAC consultants verified during our interview that they view the lack of comprehensive data as a systemic issue that undermines their ability to do more thorough analyses and provide more insightful advice to the EEAC on a wide range of important issues, and limits the ability of the EEAC consultants to answer the questions the EEAC asks of them.[7]

Some councilors, however, feel that the EEAC consultants often act more like principals than consultants—trying to lead the EEAC, rather than acting as their agents. The PAs find the consultants more helpful in certain areas (e.g., evaluation) but less helpful in matters related to program design, strategy, and tactics where they find the consultants add much less, if any, value to them The PAs also noted that, increasingly, they find the consultants to be antagonistic rather than collaborative with them.

There was also near universal concern that the EEAC consultants do not get clear and sufficient direction from the EEAC. Despite the consultants having weekly confernce calls with DOER and regular discussions with individual councilors, as well as attending the ExCom meetings, there does not seem to be a clear and

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[7] They further clarified that while they are looking for more detailed information than has been heretofore provided, they are not seeking customer-sensitive data.

effective process for the consultants to bring specific, concrete, and detailed problems to the EEAC and the EEAC to give the EEAC consultants clear and unambiguous direction. There is an annual consultant workplan that is reviewed and approved by the ExCom, but this leaves substantial latitude for the EEAC consultants to pursue issues that they feel are germane and important. The consultants do periodically bring resolutions or other requests to the ExCom and the EEAC to get clearer direction, but these often do not end up getting resolved in ways that provide clear resolution or direction. As a result, the consultants are often left without clear direction, and undertake what they believe is needed.

Recommendations regarding EEAC Consultants:

1. EEAC should provide clearer direction to EEAC consultants, and more proactively manage their areas of focus. Consultants should not have to figure out their marching orders by interviewing individual councilors.
   a. E.g., EEAC reviews/approves annual consultant workplan; ExCom reviews/approves interim changes; and DOER manages consultants consistent with the workplan and the priorities of EEAC
   b. [Note: Clarifying R&R of EEAC is necessary first step of clarifying R&R of EEAC Consultants.]
2. EEAC consultants should continue to advise the full EEAC on matters identified by the EEAC. Also EEAC consultants should continue their generally valued role of being accessible to individual councilors for increasing understanding and knowledge but not to lobby individual councilors on specific positions to take on upcoming EEAC votes.
3. Seek to improve working relationship with the PAs.
4. DOER (and the ExCom) should intervene as needed between its EEAC consultants and the PAs to resolve as many conflicts as possible outside of the monthly EEAC meetings.
5. Resolve the data issues (Note: please also see PA section) so that the EEAC consultants and the EEAC councilors have the right types and amount of data to adequately fulfill their statutory and DPU mandates.
6. Prior to the re-bid of the EEAC consultant contract, DOER (or the ExCom councilors) should do a more detailed evaluation of the consultant team, including the performance and effectiveness of the lead and the other individual consultants on the team—and this should influence the RFP design and selection process. The evaluation should focus primarily on the value that the consultants bring to the EEAC as a whole.

E. Program Administrators (PAs)

The Program Administrators are responsible for developing the three year gas and electricity energy efficiency plans (in coordination with the EEAC) and then implementing them. The PAs are non-voting councilors on the EEAC, and are active participants both in the monthly EEAC meetings and the ExCom meetings.

There was frustration among many interviewees around the PAs' seeming reluctance to provide the EEAC and its consultants with adequate data to be able to do their jobs effectively—including giving useful advice (See EEAC Consultant section above for more detail). Many interviewees were also frustrated about the PAs not meeting certain goals (most notably large C/I). A few interviewees posited that programs would be better run independent of the PAs while others felt that the PAs generally do a reasonably good job implementing programs.

Several interviewees pointed out that PAs have more time and resources and are not subject to Open Meeting Laws, and thus usually better able to develop consolidated views and positions within the EEAC process. While the presentation of clear and consolidated views can be quite beneficial to a stakeholder process, non-PA councilors often feel handicapped by comparison. Some councilors further feel that the PAs try to overly direct and unduly influence the EEAC process, agenda, and decisions—particularly at the ExCom level. Meanwhile, some PAs believe, that as the program administrators they should be voting members of the EEAC and have a formal seat on the ExCom.

Finally, the same concern among councilors regarding the increasingly contentious nature of the interactions between the consultants and PAs described above in the EEAC Consultant section applies here—i.e., the contentiousness is emanating in both directions and is seen as counter-productive.

Recommendations regarding the PAs:

1. Resolve the data issues which have been of long concern to the EEAC and its consultants, so that the consultants and the councilors have the right types and amount of data to adequately fulfill their statutory and DPU mandates
2. Seek to improve working relationship with the EEAC consultants..
3. Better define and manage the role and participation of PAs in EEAC and ExCom meetings [Note: we discuss specific recommendations how to implement this recommendation elsewhere in this Assessment—e.g., under ExCom and EEAC Meetings.]
4. Assess whether the PAs should have a more formal (but likely ex officio) role in the ExCom (See ExCom section above)

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Note: While mentioned by some interviewees, it is not in our scope to recommend ways for PAs to design/implement programs to better meet goals, or who should be administering and implementing programs in general.

F. MA Department of Energy Resources (DOER)

DOER plays a unique role in the EEAC in that it is not only one of the 15 voting councilors, but also the Chair of both the EEAC and the ExCom. In its role as Chair, it is responsible for setting the agendas for the meetings, running the meetings, and managing the EEAC consultants. Although DOER established the ExCom two years ago to assist it in setting agendas and other matters, DOER still must shoulder most of the administrative tasks of running the EEAC and steering the EEAC through its various substantive responsibilities—all while having to represent the broad energy mandates and positions of the Commonwealth at the EEAC.

All of the interviewees acknowledged that the multiple roles and responsibilities for DOER is inherently challenging. Generally, interviewees felt that the current DOER Chair makes a good faith effort to fulfill all that is required, and is broadly respected and praised for those efforts and her ability to represent DOER's positions on issues while also trying to be inclusive of other councilors' perspectives and attempting to broker disputes as they arise. However, there was broad concern that the Chair is under-staffed and overwhelmed by the extent of her responsibilities in running the totality of EEAC process.

The place where many interviewees felt DOER falls short is in the effective running of the EEAC meetings themselves. Specifically, interviewees felt that the meetings could be better structured and more effectively and efficiently run (see following sections of this Assessment for more specifics on the meeting mechanics), and that these challenges have grown with the addition of five new councilors on the EEAC. Many interviewees noted, regardless of EEAC size, there is a need for clear behavior expectations in and between meetings and adherence to them by all councilors (voting and non-voting).. Many interviewees posited that DOER could benefit from having an independent facilitator assist the Chair in designing and facilitating the EEAC meetings. Similar issues were raised by some interviewees regarding the ExCom--but given its size, interviewees didn't see the need for outside facilitation.

Please note that the first thing that we generally look for when the chair or the facilitator of a process is also a major stakeholder (what's known as "facilitating with an interest") is whether the chair/facilitator is or perceived to be displaying partisanship. We did not observe this in the meetings we attended, and we heard few to no concerns about "DOER partisanship" from interviewees. However, we did observe some of the challenges that DOER was having running the EEAC and the ExCom meetings effectively and efficiently.

Other issues that were raised about DOER, although with less frequency included: 1) DOER handles certain energy efficiency related issues directly in its capacity as

the Energy Office, rather than bring them to the EEAC; 2) As Chair, DOER often needs to mediate between the PAs and EEAC consultants; and 3) As Chair, DOER needs to better manage the consultants and rein in the PAs.

Recommendations regarding DOER:

1. Make sure that DOER has sufficient administrative support to effectively run the EEAC process (including the EEAC meetings and the ExCom).
2. Consider separating DOER's role as stakeholder and facilitator at the EEAC, meetings so that DOER, as a major energy efficiency stakeholder, can more freely weigh in on its positions. (Note: DOER would still be the meeting chair, but would work with a facilitator in the design and running of the EEAC meetings (see #3 below). This approach has been used in other MA advisory groups such as for the GWSA Implementation Advisory Committee and in many Federal Advisory Committees.
3. Consider hiring an independent/experienced facilitator to assist DOER in the design and running of the EEAC meetings in order to free up DOER in terms of time, resources, and liberty to express Department views, and to provide coaching to DOER on the design and running of the ExCom meetings.
   a. DOER and the EEAC should try this during the more intensive three-year planning process, and then determine whether to continue with independent facilitation for the implementation phase.

G. EEAC Size and Makeup; and Participation of EEAC Councilors

The EEAC is comprised of 15 voting councilors and 11 non-voting councilors (including all the PAs). In 2012, the Legislature increased the number of voting councilors from 11 to 15. At the same time, the Legislature increased the number of non-voting councilors from 10 to 11.

There was broad concern among interviewees that that the EEAC has become less functional since the addition of five new councilors in 2012. Some interviewees pinned the change on the larger size, others pinned it on the new cast of councilors, while others pinned it on increased friction around data issues and missing C/I targets. Nonetheless, most interviewees thought that the EEAC would function better if it were reduced in size (e.g., seven to nine voting councilors was the preferred range) although most acknowledged that this was legislatively dictated and unlikely to change anytime soon. Unpacking the interviewees concerns (as well as our observations) a bit further, revealed the following sub-issues:

1) There are councilors who represent broad stakeholder groups and are not steeped in the day-to-day of energy efficiency programs;
2) There are councilors who are vendors/implementers of the PAs' energy efficiency programs, which can confuse roles, or potentially create a conflict of interest;

3) There are councilors who talk much more than others, taking up valuable time, often in unproductive or inappropriate ways;

4) There is no real distinction between voting and non-voting councilors during the EEAC meetings (except when votes are taken), including active participation from the PAs' attorney; and

5) Multiple PAs voiced concern that they were "second-class citizens" due to their non-voting status, and a desire to become voting councilors.

In discussing participation with interviewees and observing a couple of EEAC meetings, we note that participation by voting and non-voting councilors varies considerably by agenda item—as to be expected. That said, there are some voting councilors who participate much more frequently than others, and there are several non-voting councilors who also participate regularly and often. We noticed that the discussions are fairly free flowing without any clear priority between voting and non-voting councilors, or systematic attempt to ferret out broad input from voting councilors. Many interviewees pointed out that meetings are often dominated by presentations and comments from the EEAC consultants and PAs. Lately, as noted above, the interaction between the EEAC consultants and PAs has apparently become increasingly contentious to the chagrin of many councilors, with one stating "I often feel like a child hiding under the dining room table, as the parents are bickering." In these situations, DOER often has to play mediator to get things patched over and keep the meeting on track, which is quite challenging during a meeting, and done with varying degrees of success.

Given that the size and makeup of the EEAC is legislatively set, we do not dwell here on whether or not and, if so, how, to change this. However, we note that as facilitators, we regularly run stakeholder groups quite effectively with 20-30 people, although 10-20 is certainly generally easier. In our experience, the key is structuring and running tighter meetings, utilizing smaller work groups for more detailed work, and setting and enforcing clear groundrules of participation and behavior.

Recommendations regarding EEAC size and makeup; and participation of EEAC Councilors

1. Provide formal orientation and training for new councilors to get them more quickly up to speed (and hence better able to participate)—history of EEAC, statutory authority, anatomy and content of three year plans, Open Meeting Laws, etc.

2. Voting and Non-Voting Councilors
   a. Clearly identify voting and non-voting councilors, both on table tents and in seating (either have non-voting councilors in one place at table, or a separate table behind voting councilors)

      b.   Generally, the voting councilors should be allowed to speak first on particular agenda items (not including the presenter), but adequate time needs to be saved for non-voting councilors to weigh in.

      c.   Chair/facilitator should be able to allow more free-flowing discussion during brainstorming, but during final decision-making discussions conversation should focus primarily on voting councilors.

3. Develop groundrules for expectations around participation and behavior, to supplement the EEAC by-laws

      a.   Have a clear process to address any persistent "unconstructive behavior" on the part of councilors at or outside of meetings.

      b.   Have the Chair/Facilitator/Ex Com address issues with the councilor(s), and if no improvement, have a clear process for councilor replacement.

H. EEAC Meetings

We asked EEAC interviewees about the effectiveness and efficiency of the EEAC meetings, including agenda setting, the discourse on topics at the meetings, decision-making, the documents and the website supporting the process, and the frequency and duration of meetings.

Agendas for the EEAC meetings are set by DOER first in consultation with the EEAC consultants, and then fine-tuned at the ExCom meetings. We heard repeatedly from interviewees that the agendas are packed with topics, often resulting in not having enough time to ask questions and discuss topics; topics taking longer than allotted for on the agenda; and meetings running over the noticed end times or topics being dropped from the agenda or rushed through toward the end of EEAC meetings. (Comments included: "last items on agenda are death spots that we often don't get to" and "we stopped having a break and we still go 20 minutes over schedule"). Another complaint that we heard often is that its not always clear why certain issues are on the agenda and that agendas often feel ad hoc—without a clear pathway from meeting to meeting or within an annual workplan (Please note that there is an annual EEAC workplan with a month-to-month break-down of topics that DOER issued in the beginning of 2014, as requested by the EEAC, and DOER has updated and reissued since). Many interviewees also pointed out that the questions that councilors need to discuss or actions they need to take with respect to an agenda item are not specified. Generally, interviewees prefer to have fewer issues on the agenda with more opportunity for taking a deeper dive into those issues, and with clearer goals, objectives, and discussion questions for each agenda item.

Related issues include widespread concern that with most agenda items, too much time is spent listening to presentations (usually from the EEAC consultants or PAs) and not enough time asking questions and having a full discussion on the item. Moreover, many councilors feel that there are many topics that while informative and nice to know, are not necessarily essential to the EEAC fulfilling its roles and

responsibilities. Numerous interviewees suggested that information (even presentations) should be distributed sufficiently ahead of meetings and councilors should be expected to review the material in advance, so that presentations can be minimized and discourse expanded ("You all received the data dashboards ahead of the meeting, does anyone have any questions?"). However, others are skeptical that councilors will carefully review material in advance of the EEAC meetings. Another related concern raised by some interviewees is the amount of time that the EEAC collectively looks at data during EEAC meetings, as opposed to having the EEAC consultants look at the data and provide the EEAC with a high level summary of how things are going, a synthesis of the key, salient points, and where any problems exist. It should be noted that data access and appropriate level of detail has been a contentious point and thus has consumed a great deal of time at and between EEAC meetings.

One option to address issues concerning packed agendas and too little time for discussion would be to increase the length and/or the frequency of meetings. Interestingly, most interviewees concurred that during the development of the next three-year plan a more intensive EEAC effort is likely required (see our separate Engagement Plan document for more information on that), but only one interviewee called for increasing the frequency or length of EEAC meetings during the ongoing implementation. Instead, the majority of interviewees thought fewer meetings might be justified during implementation years, especially if meetings are run more efficiently and some work is done in Subcommittees or in more focused, topical meetings.   Some felt that a move to a quarterly or every other month EEAC meeting is appropriate during the implementation phase.[8] Notwithstanding, most interviewees were clear that the ExCom should continue to meet monthly, scheduling special meetings of the EEAC, if needed, and that the EEAC may want to establish subcommittees or work groups to work on specific issues between less frequent EEAC meetings.

The EEAC meetings are generally held at 100 Cambridge Street, Boston, and are attended by approximately 75 people. Many interviewees noted that the room is less than optimal (long and narrow), and that it is particularly difficult to see the slides or hear the conversation if you are seated toward the back of the room. Others complained that the room often gets hot and stuffy.

We heard several comments regarding the EEAC website and the EEAC related documents. First, the EEAC website, which was recently redesigned by the EEAC consultants, is "leaps and bounds better than the previous one," although some are still figuring out how to navigate the site and to locate what they need. EEAC meeting summaries prepared by the EEAC consultants are considered to contain the right level of detail and are generally accurate. Some interviewees expressed dissatisfaction with the level of detail in the monthly EEAC consultant reports and

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[8] Some preferred to let DOER or the ExCom decide to skip some monthly meetings on an ad hoc and as-not-needed basis.

the length and wordiness of their PowerPoint presentations. But the bigger issue concerned both the lack of timeliness of documents distributed ahead of the meetings and the lack of preparation on the part of many councilors. A related complaint is that documents for a single meeting often come from several different emails and sources. Although the general guideline is that documents for a Tuesday EEAC meeting should be circulated by the close of business on the Thursday before the meeting, this is not always followed.

Finally, we explored how effective the EEAC is at making decisions. What we heard from interviewees and witnessed is that on major decisions within the EEAC's purview, notably approval of the three-year plans and Category 1 MTMs, the EEAC makes decisions that are deliberate and mostly unanimous. Similarly, the EEAC is very effective at making decisions on resolutions on contract and administrative matters brought to them by the ExCom.

On the other hand, the EEAC struggles to make decisions on other matters from clearer direction to its consultants, to trying to formulate "Senses of the Council," where the purpose and its related authority are less clear. On these matters, the text often cycles back and forth between the EEAC and the ExCom without clear resolution or convergence of opinion. We witnessed the deliberations of one such Sense of the Council during the course of this Assessment.

Recommendations regarding EEAC meetings:

1. Continue annual EEAC work-planning process (led by the ExCom) and workplan that lay out the known EEAC tasks and issues for the year, and includes initial agenda topics for each meeting during the coming year. This should be fine-tuned by the ExCom and EEAC during the course of the year.

2. Revisit the EEAC meeting schedule for the development of the next three-year plan that has historically required intensive engagement of the EEAC councilors, and decide whether more or different meetings are needed (See separate Engagement Plan).

3. During implementation of the three-year plan, the EEAC can probably meet less frequently (e.g., every other month or quarterly), but with ExCom still meeting monthly, and with the ability to form subcommittees for ongoing topics/issues or focused work sessions on specific topics, and call special meetings of the EEAC, if necessary.

4. Consider having three and a half hour morning meetings (when people are generally more productive) to get through full agendas, though we note some Councilors feel the meetings are long as is. [Note: The slightly longer meetings will provide a bit more flexibility for full discussion/deliberations on issues, and the reintroduction of a mid-meeting break.]

5. Agenda items should include a clear description of the purpose of the topic, identify any important discussion questions, and describe what actions (if any) are expected of the councilors.

6. Reduce the number of topics on agendas.

7. Provide more time for EEAC discussion and deliberation:
   a. General updates (and data) provided in writing or webinars (and not at meetings);
   b. Clarify expectation of councilors to review materials ahead of EEAC meetings and come prepared with any questions and ready to discuss; and
   c. When presentations are needed, provide roughly half of the allotted time for the presentation and half for discussion/deliberation.

8. Post all materials for the upcoming EEAC meeting (including agendas, presentations, and background material) on the EEAC website 4-5 business days before the meeting.

9. Provide a sound system for the EEAC meeting room, and consider a larger room more conducive to a meeting of this size and duration.

10. Revisit the role and purpose of "Senses of the Council" and develop some guidelines (appropriate issues/topics, structure of motions, and process for development and approval) for the "form" of agreement or resolution..

IV. Conclusions and Next Steps

Since the formation of the EEAC following the passage of the GCA, the EEAC, PAs, and the EEAC consultants have successfully worked together to develop two consensus three-year plans. The implementation of those plans has resulted in substantial cost-effective savings for Massachusetts' residents and businesses, and catapulted the Commonwealth into the leading energy efficiency state in ACEEE's annual rating for the past four years. The activities of the EEAC have been recognized nationally and are often used as a model for other states.

There is alignment among the EEAC, PAs, and the EEAC consultants to see the energy efficiency programs be successful. However, recent underperformance in meeting goals in certain sectors by some PAs has caused tension in the EEAC as the PAs struggle to figure out how to keep the programs on track, and the EEAC feels responsible for providing assistance. The EEAC's desire and stated need for better data from the PAs has exacerbated this tension, and calls into question what the roles and responsibilities of the EEAC should be, particularly during the implementation of the three year plans.

Meanwhile, following the expansion of the EEAC by adding five new Councilors, and despite the addition of the ExCom, the EEAC process and meetings are broadly seen

as cumbersome and not as efficient and effective as they need to be. In this Assessment, we provide a series of recommendations that we believe would improve the effectiveness and efficiency of the EEAC. The recommendations begin with clarifying the roles and responsibilities of the EEAC, PAs, EEAC consultants, ExCom, and DOER. We touch on the need to provide DOER greater administrative support and independent facilitation assistance. We also recommend ways to make the EEAC meetings and the ExCom meetings more effective. In a separate Engagement Plan document we lay out a process for engaging the EEAC, PAs, and other stakeholders/public in the development of the upcoming three-year plan.

The EEAC needs to sift through these recommendations, with the help of the ExCom, and develop a process for timely implementation of those recommendations that it concurs with. Some of these recommendations can be implemented immediately; others can be tested during the engagement around the three-year plan; while others may take a bit longer to process, fine-tune, and implement. We are confident that with the underlying shared perspective of wanting to design and run national-leading and successful energy efficiency programs, the fine-tuning of the EEAC by implementing these recommendations, will help the EEAC to be a more collaborative and productive venue for the benefit of the Commonwealth's residents and businesses.

Appendix I:

EEAC Interview Protocol

Introduction: Provide background and use of interviews; note confidentiality (name/organization).

1) **Overall Effectiveness of EEAC Process**
   a. Overall, how effective do you think the EEAC process? What's working well and what's not working so well?
2) **Critical Path EEAC Issues for Development of 2016-18 Plan**
   a. What do you think should be the "**critical path**" issues for the EEAC to provide "**advice**" on for the development of the next three-year plan (2016-18) and why?
3) **Engaging Councilors/Stakeholders on Critical Path Issues**
   a. What engagement of the Voting and Non-Voting Councilors is needed on the critical path issues for the development of the next 3 year plan?
   b. Who else beyond Councilors need to be engaged on these critical path issues and why?
   c. What kinds of engagement for Councilors (and potentially other stakeholders) are needed for each of the critical path issues)? [List to probe: Subcommittees/working groups, workshops, focus groups, full EEAC at regularly scheduled meetings.]
4) **Scope and Purview of EEAC**
   a. What are the primary issues/topics that the EEAC is supposed to provide "advice" on (ongoing basis) and to whom (probe if necessary--PAs, DPU, etc);
   b. What MA PA-related EE issues, if any, is the EEAC either precluded from providing advice on or typically leave to the PAs?
5) **Roles and Responsibilities of EEAC, ExCom, PAs, Consultants, DOER**
   a. What are the important roles and responsibilities, and how effective have:
      i. EEAC & The Program Administrators (we already discussed scope anything else to add)
      ii. ExCom
      iii. EEAC Consultants
      iv. DOER (probe: as Chair, consultant mgr, and de facto facilitator)
6) **EEAC Membership & Process**
   a. **Size and make-up**: Does the number and composition of the voting and non-voting councilors seem appropriate, and if not what changes, if any, would you recommend?
   b. **Agenda Setting Process**—How well designed is the agenda setting process, amount of topics, and the clarity of actions expected at meeting?

     c. **Participation**— During the meetings, how active and well balanced is the participation both across all voting Councilors, and between voting and non-voting Councilors, and what changes if any would you recommend?

     d. **Discussion and deliberation**: Is there enough time for robust discussion and deliberation among Councilors at the EEAC meetings? What changes would you recommend, if any?

     e. **Decisionmaking effectiveness**—How effective is the EEAC in making decisions on important issues, and why?

7) **ExCom Membership and Effectiveness (only for Ex Com, PAs who attend, & Paul)**

     a. In what areas/issues is the EEAC ExCom particularly effective in performing its duties?

     b. Describe any areas where the ExCom is not particularly effective, and any suggested improvements?

     c. Is the current size and composition of the ExCom appropriate, and what changes, if any, would you recommend?

8) **EEAC Logistics** (skip if running out of time and go directly to 8)

     a. **Frequency/Length of Meetings**: Currently meeting once/month for around 3 hours—Any changes you'd recommend to frequency and length of meetings, and if so why?

     b. **Documents/Website (if time)**: Any suggested improvements to the agendas, meeting summaries, presentations, or website?

9) **Closing Question:**

     a. If you could make one change to improve the effectiveness of the EEAC process, what would it be?

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