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EO Collaborative Design and Implementation meeting
April 27, 2010
9:30 - Noon

DTE has filed their EO report - exceeded their energy savings targets

Pat Hudson (DELEG) Retro-fit Ramp-up Project Coordinator: Michigan was recently awarded a competitive grant to increase weatherization uptake. Original request was for \$75 million, actual award was for \$30 million. This amount is less than half of the original amount requested and requires severe retooling as the rules were changed after submission.

Same partners in Grand Rapids and Detroit areas, Michigan Saves and the Bureau of Energy are the main drivers and utilities will be involved. Many other partners involved, such as Warm Training and Well Home (Masco) will also be involved. Detroit, Grand Rapids and Southeast Michigan will be primary recipients of grant. Even if a community is not directly involved, they will benefit from the experience of the primary recipients. Dollars will be awarded in perhaps 2 months with 36 months from award to evaluation. (DOE call later today)

- Leverage vs. match: Utility targets are instrumental to this program and the information they gather will be instrumental to the grant. Leverage also comes from foundation grants.

Housekeeping issues:

- The workgroup meetings will continue on past 6 months
- Meeting date should be more routine and be on the same day as the Evaluation Workgroup
- Need the Agenda a week in advance so participants may be prepared
- Prepare a schedule of topics in advance, with an open space for new issues
- Send an email 10 days in advance of the meeting asking for issues

Baseline study Request For Program went out yesterday. This will provide coverage for service area not covered by Detroit Edison or Consumers Energy and should dovetail with their survey.

Potential study funding has been tabled by the Commission until the Baseline study analysis is further along.

DELEG is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

C&I Customers:

- PA 295 contains a provision that certain customers may opt out of utility EO programs and run their own, i.e. self directed. (Please see "Presentation 1" on the website) Temporary order states Non-residential customers, so this only applies to C&I accounts.
- Issue of allowing non-related and non-contiguous electric customers to aggregate and self direct.
- Rules need to be developed regarding who may aggregate (strip mall + industrial?)
- Approval process is needed for contractors by September 1, 2010.
- Will new requirements have to be met by those enrolling this Fall for 2011? Yes
Any customer that opts out of EO program is not eligible for rebates? Yes
- "Customer" may be a self-direct customer, unrelated "customers" will need an Energy Services Company.
- Much needs to be explained so customers understand what is expected. A service company will have to take over this customer service function - it's not just about getting out of paying a surcharge, but they will have to have a program.
- Who keeps track of the energy savings - especially in the case of Efficiency United. Service providers must keep track, assimilate those savings into their plan - or lack of savings into their plan.
- Current draft rules state that an officer of the company must sign and certify the plan - self reported and will not be audited. With a third party provider, they would sign and not the customer. The provider would notice the third party provider that targets are not being met, and they would have to figure out if penalties would be assessed or how that would be handled?
- Single site has to meet the target on its own, aggregate customers must meet the total - even if one or two individual customers fall short, they may meet the target. This will be calculated into multi-year plans, cannot tell a company that they cannot focus on one site this year, a different one next.
- Consumers Energy has tariffs that differentiate among different customers based on their Kwh use. (Regulatory Assets) They have a Commission-approved methodology and it might be the way to go.

- Slide 5 has the 3 key points that companies must meet.
- Code of Conduct between regulated and unregulated customers - Consumers and Edison are open to bringing experts in this area to the next meeting.
- Example of an Energy Service Company? Perhaps Enternoc? Utilities? May be against their code of conduct. Perhaps if they form a subsidiary.
- If an energy service company goes out of business - need rules about who gets the savings, what happens to the plan? Will bonding cover this? If they don't satisfy the requirements, then perhaps they pay the EO surcharge.
- Should also include training about the responsibilities of a customer to the energy services company. Who would provide the training? Web based? AASHRE/ISO certification? An agent is certifying for the customer, may be efficient to have them aggregate with a summary document on top.

Michigan Energy Measures Database (MEMD)

- No formal review process right now and the focus of creating the MEMD was to get those numbers out of the contested case process. This Workgroup needs to be the place where changes are discussed and agreed to before the database is updated. Recommendation goes to Steering Committee for approval.
- Some corrections were made for errors, other changes included the addition of new measures. (Consumers)
- Should MEMD be updated by November of each year? So utilities could use the numbers in their plan?

Next Meeting:

- First draft of draft rules and training curriculum.
- Dave invites input about customer Mwh usage/schedules/classification and in the area of how many customers may be eligible to participate, how many unrelated aggregations may occur? Hard to calculate - no good business model and one provider was off by a factor of 10.
- Will coordinate with Evaluation Workgroup for a mutual and consistent schedule.

Adjournment at 10:50