



STATE OF RHODE ISLAND

# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

## EERMC FULL COUNCIL MEETING MINUTES

Thursday, January 21, 2021 | 3:30 - 5:30 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

**Members in attendance:** Anthony Hubbard, Karen Verrengia, Matt Ray, Kurt Teichert, Tom Magliocchetti, Peter Gill Case, Bill Riccio, Nick Ucci, Roberta Fagan

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Sam Ross, Mike Guerard, John Tortorella, Hank Webster, Ben Rivers, Matt Chase, Daniel Tukey, Mark Kravatz, Kevin Rose, Kai Salem, Jessica Darling, Ezra McCarthy, Samantha Caputo, Dr. Carrie Gill, Sue AnderBois, Laura Rodormer, Rachel Sholly, Max Halik

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-january-2021/>

### 1. Call to Order

Acting Chairman Hubbard called the meeting to order at 3:33pm

### 2. Approval of Council Meeting Minutes

Acting Chairman Hubbard asked for a motion to approve the December Meeting minutes. Mr. Riccio made a motion to approve minutes from the December meeting as written. Ms. Verrengia seconded and all approved by roll call vote.

### 3. Executive Director Report

#### a) General Update

Ms. Trietch, filling in for Commissioner Ucci, noted to the Council that the 100% Renewable by 2030 report has been released and is available on the [Office of Energy Resources website](#). Strong policy recommendations were included and continuing investment in energy efficiency through the extension of Least Cost Procurement (LCP) legislation was a central recommendation. The report also calls for a 100% Renewable Energy Standard (RES) by 2030 through legislative action. Ms. Trietch also noted that there are a number of other recommendations in the report and encouraged everyone to read through it.

Ms. Trietch reminded everyone that Governor Raimondo has been appointed to serve in President Biden's administration, which means that Lieutenant Governor McKee will be taking over for the remainder of the existing term and the Office of Energy Resources will be working closely with the transition team on a number of matters, including appointments and re-appointments for this board.

Lastly, Ms. Trietch highlighted the \$1.5 million dollar storage incentive available through the Renewable Energy Fund (REF), which has supported forty-five residential and one commercial installation through the first two rounds of funding. Given that only one hundred storage projects had been implemented prior to this funding, this incentive program is driving a substantial increase in the adoption of this technology.

Ms. Verrengia asked Ms. Trietch if she had any information about the Lieutenant Governor's policy positions, especially relating to energy efficiency?

Ms. Trietch indicated that the Office of Energy Resources (OER) has a good working relationship with him and the whole Governor's team and conversations are ongoing given the active transition period as to what the future may hold. OER will have more information in February and/or March once the transition begins to move forward.

#### **4. Acting Chairperson Report**

Acting Chair Hubbard reviewed the agenda for today's meeting, including highlighting potential Council votes scheduled later in the meeting.

He also noted that Council would need to appoint several members to serve on the Executive Committee because there is currently not an appointed Chair or Vice-Chair, who would normally serve on that committee. He asked that any interested Council members please email Ms. Trietch by February 1st if interested in serving and the Council will vote at the February meeting on those appointments. Once those have been made the Executive Committee meeting will be scheduled shortly thereafter.

#### **5. Program Oversight**

##### *a) Update on COVID-19*

Mr. Ray provided an update on the Community Action Program (CAP) service suspension that was mentioned at the December meeting, reporting that all CAP agencies are active in the field at this time. He did note that COVID-19 has been slowing service down due to health and safety precautions but he feels that the programs are in a good place operationally at this time.

Mr. Ray also noted that 3,840 virtual home energy audits have been conducted in the market rate programs and 1,247 have been conducted in the income eligible program to date, indicating continuing market traction for this service.

##### *b) System Reliability Procurement 2020 Year-End Summary*

Please refer to the [Consultant Team & National Grid System Reliability Procurement Year in Review](#) presentation.

Mr. Chase reviewed the 2020 System Reliability Procurement (SRP) program, by quarter, with the major achievements and milestones from each quarter being highlighted. Quarter one included stakeholder priorities for SRP being discussed and shared with National Grid and four Request for Proposals (RFP) went to market for discrete market opportunities. Quarter two involved numerous stakeholder conversations around the transmission benefits of Non-Wires Alternatives (NWA), the grid deferral valuation & methodology for NWA projects, and reviewing NWA experiences from New York.

Mr. Ross reviewed the quarter three achievements in SRP, which was focused largely on the Three-Year Plan process, with first and second drafts of that plan being circulated and reviewed. Quarter four included finalization of the Three-Year Plan and review of the benefit-cost model for evaluating NWA opportunities, with several updates being made to the prior version. The Three-Year Plan is currently filed with the Public Utilities Commission for consideration and all involved stakeholders intend to be settling parties to that plan.

Mr. Ross summarized the key takeaways from 2020 as being the first stand alone Three-Year Plan for SRP, which led to many improvements in the plan structure, a more robust RFP process, improvements to the benefit-cost model, and incorporation of stakeholder priorities including a Non-Pipes Alternative (NPA) program.

c) Summary of Energy Efficiency Plan Rulings from the Public Utilities Commission

Please refer to the [Consultant Team Energy Efficiency Plan Rulings from the Public Utilities Commission](#) presentation.

Mr. Guerard provided an overview of the process leading into the Public Utilities Commission (PUC) rulings on the Annual Plan and Three-Year Plan for energy efficiency, and provided a summary of the rulings and their impacts on the programs as well as key next steps.

The key rulings from the PUC over the course of the three open meetings held at the end of December fall into three buckets – lower impact, higher impact, and impact to be determined.

Mr. Guerard stated that the lower impact rulings were as follows: an adjusted electric sales forecast to the higher end of the presented range, which, coupled with budget cuts resulted in a system benefit charge (SBC) adjustment from \$0.01323/kWh down to \$0.01113/kWh; the removal of funding for an electric vehicle demand response program; a request to provide an updated definition and income verification plan for moderate income customers before action is taken in that sector.

Mr. Tortorella reviewed the higher impact rulings from the PUC, which were: rejection of funding for the Energy Management Framework software platform (budgeted at \$1 million), which was designed to increase data availability and insight into customer equipment and decision-making to better target program offerings to Commercial & Industrial customers; rejection of incremental investment into workforce development (budgeted at \$1.05 million) that would have been focused on “upskilling” the workforce, particularly for new and emerging technologies like heat pump installations; maintaining the 2020 budget levels for most of the residential and income eligible programs, which resulted in both budgetary and energy savings decreases of 3%-29%, depending on program for the electric portfolio and 10-13%, depending on program for gas portfolio.

Mr. Tortorella then reviewed the rulings in the impact to be determined category, which were: a deferred decision on the performance incentive mechanism that determines National Grid’s incentive payout for the energy efficiency program; a suspended release of funds for the Efficient Buildings Fund (EBF) to the Rhode Island Infrastructure Bank pending additional discovery; and re-filing of the Three-Year Plan that holds budgets for 2022 and 2023 to a 5% maximum increase over the prior year based on the final 2021 budget numbers.

For the performance incentive mechanism, the PUC proposed a different mechanism during the open meetings on which they solicited public comment from stakeholders. This led to the decision

that additional proceedings were needed to discuss these approaches further, which may include technical sessions, hearings, and/or open meetings.

Mr. Tortorella then discussed the decision around the transfer of funds for the Efficient Buildings Fund. National Grid is permitted to collect the funds outlined in the plan (budgeted at \$5 million) but they cannot transfer those funds to the Infrastructure Bank until post-decision discovery is completed by the PUC. He indicated that discovery would be focused on the allocation of funding, comparison of incremental costs versus total costs, and the recycling of funds.

Regarding the budget adjustments in the Three-Year Plan for 2022 and 2023, Mr. Tortorella reviewed what the 2021 budgets were ultimately set at and how that impacted the 2022 and 2023 budget numbers. The 2021 budgets were \$116.7 million for electric and \$34.9 million for gas, which then leads to budgets increasing 5% over those numbers in both 2022 and 2023. The result of that adjustment was reductions of proposed budgets ~10% lower for each of those years than the original Three-Year Plan. As a result, National Grid is recalculating the savings they are able to achieve based on these updated budget numbers and will submit a compliance filing with the PUC by the end of the month.

Mr. Guerard then summarized the process for oversight of the 2021 annual plan, including a summary of commitments made in the plan that will be used during sector team meetings and other meetings each month between National Grid and stakeholders. He made clear that work on implementing the 2021 plan will continue in earnest while decisions are pending on the performance incentive mechanism and the other outstanding items.

Ms. Verrengia expressed concern with the removal of both the energy management framework and the workforce development additional funding and worries about its impact on the success of these programs, both in the short and long term. She wanted to know if the budget cuts were related to trying to keep budget in line with prior Three-Year Plans or if they were COVID-19 related?

Mr. Guerard indicated that the budget for this Three-Year Plan was significantly larger than past Three-Year Plans, but as markets transform and as the potential study indicates, deeper savings achievement is needed and stakeholders understood costs to achieve those savings would need to go up.

Mr. Ray also suggested that the focus seemed to be on limiting budgetary impacts of the program in 2021 as a result of the COVID-19 crisis, but noted that we can use the forthcoming annual plans to re-introduce some of those rejected elements with additional supporting information and justification, if desired.

Acting Chair Hubbard asked how National Grid would be addressing the impact to the income eligible sector as a result of these decisions and budget cuts?

Mr. Ray indicated that the equity working group will be an important vehicle for engaging stakeholders and serving the income eligible population, while also needing to recognize the budgets constraints imposed on the program as a result of these rulings.

Mr. Teichert asked about the rationale the PUC might have used for some of their decisions on reducing the income eligible programs in particular? And how can we ensure the programs hit 100%+ savings achievement in 2021?

Mr. Guerard indicated he felt the effects of COVID-19 and the lingering economic impacts may have influenced the PUC thinking on prudence and reliability elements of the plan we all proposed. Additionally, the impact of COVID-19 may have lingering impacts on implementation and given that the 2020 budgets for many programs were not fully spent the PUC likely felt comfortable bringing the budgets back to those levels for 2021.

Ms. Verrengia also encouraged all stakeholders to be engaged in these and other meetings to share your thoughts and use your voice to support what is important to you, as it helps Council members in thinking through prioritization.

Mr. Gill Case said he was very discouraged in reading the decisions, as he felt the proposal we all reached was reasonable and a strong path forward. He reiterated the importance of having really successful achievement in 2021, to set us up for a strong case to make growth in 2022. He also asked if the PUC is typically so far afield from the Council's position?

Mr. Guerard indicated this is likely the most significant deviation from the plan as filed and supported by the Council that he can recall.

Ms. Fagan expressed her disappointment with the viewpoint from the PUC that workforce development belonged with the Department of Labor and Training, as she feels we are all aware and have made clear that they may not have the resources or expertise needed to serve the workforce needs of the energy sector.

Mr. Ucci commented that recent decisions from the PUC have left many stakeholders confused about the significant stakeholder process, which had been a decade long staple of successful energy programs in Rhode Island, being deviated from so significantly. He suggested that we all think creatively about how to proactively address concerns or supplement this process to better satisfy potential concerns. These strategies could include adding more witnesses from third parties, more regular engagement with the PUC, or other avenues as appropriate. Commissioner Ucci concluded that regardless of these decisions, we'd all continue to work hard and work together to deliver energy savings to Rhode Island residents.

## **6. Council Business**

### *a) Council Review, Discussion and Potential Vote on 2021 Energy Efficiency Planning Timeline & Meeting Material Submission Process*

Please refer to the [Proposed 2021 Energy Efficiency Planning Timeline](#) presentation.

Mr. Guerard reviewed the proposed timeline for the 2021 energy efficiency Annual Plan development and approval process for the Council, highlighting key dates that impact the Council's review and approval of the documents. He noted that this timeline had been updated based on feedback from the prior meeting and comments from National Grid.

Acting Chair Hubbard noted that the Council could choose to vote on this timeline and make it official in order to hold parties accountable, should they so choose.

Ms. Verrengia asked if they needed to vote on this, or could we simply work together in good faith with the Company to meet the deadlines on the timeline proposed?

Mr. Guerard noted that the desire in putting this forward was to set up a process and a timeline that works for the Council to ensure that they get the materials they need in a timely fashion, and whatever fashion the Council wants to go about that is fine with the consulting team.

Acting Chair Hubbard indicated that even if a calendar gets voted on, the Council still has the ability to work with Company to be flexible should something come up requiring a scheduling adjustment.

Mr. Gill Case felt that this didn't require a vote as long as the parties agree to work in good faith to stick to the schedule.

Ms. Trietch noted that the Council could also vote to approve a timeline for meeting materials submission separate from the planning timeline.

Council members felt that a vote was not necessary and indicated that simply working together in good faith to meet the deadlines and get materials in a timely fashion would be sufficient.

*b) Consultant Team Workplan Summary*

Please refer to the [Consultant Team 2021 Workplan Summary](#)

Mr. Guerard reviewed the new features of the consulting team's work plan compared to prior years, which include quarterly memos of progress on key deliverables. He provided a preview of the format those would take through an overview of upcoming quarter one activities. As part of that preview, Ms. Sholly reviewed the quarter one commitments that the public education subgroup of the Council would be working on. Those tasks include the drafting and posting of a series of Request for Proposals for the several education proposals the Council approved at their prior meeting.

Ms. Verrengia asked Ms. Sholly if there was an update on the 2021 Energy Expo?

Ms. Sholly indicated that the Rhode Island Builders Association (the group running the Expo) will decide by March 1 whether to hold it later in the year or simply focus on planning a 2022 event, as they are unable to use the convention center in April this year.

*c) Council Discussion and Vote on Council Public Education Proposals*

Please refer to the [Farm Energy Fellow Proposal](#)

Ms. Trietch reviewed the proposal for a Farm Energy Fellow to be cost shared with the Office of Energy Resources in 2021, with \$2,500 coming from OER and up to \$7,500 of funding coming from the Council.

Mr. Riccio made a motion to approve the Energy Fellow funding proposal as presented and Mr. Gill Case seconded the motion. However, as the Council no longer had a quorum at the time of the motion, the vote was moved until the February meeting for consideration.

## **7. Special Topics**

*a) Pilots, Demonstrations & Assessments Presentation*

Please refer to the [National Grid Presentation on Pilots, Demonstrations, and Assessments](#)

Mr. McCarthy presented about National Grid's pilots, demonstrations, and assessments efforts, which are run by the Growth and Development team within National Grid's Customer Energy Management group. He highlighted some of the key evaluation criteria used for potential projects as fit, feasibility, need being served, and potential customer interest.

Mr. McCarthy stated that there were seven active Pilots, Demonstrations, and Assessments (PDA) in 2020 across the residential and commercial sectors, and several concluded in 2020, including: Accelerate Performance; Mechanical Power Transmission, Secure Lighting Specs, Small Business Heat Pumps; Absorption Air Cleaner; and Pathways to Zero Energy for both residential and commercial & industrial.

For 2021, Mr. McCarthy reviewed several of the numerous PDAs being deployed, including a demonstration focused on solar inverter power factor correction, which will engage these pieces of equipment in a similar fashion to other demand response offerings the company has. Another is a demonstration for sprayed-in air sealing for new construction and injection foam insulation for retrofits looking to test costs, customer adoption, and product efficacy for these technologies. There is also an assessment for shared laundry facilities in multi-family buildings trying to influence more efficient equipment purchases at these facilities. In closing, Mr. McCarthy reviewed a refrigerant leak detection and repair assessment in grocery stores looking to reduce refrigerant loss - a very potent greenhouse gas - and improve performance in these facilities.

#### **8. Public Comment**

None.

#### **9. Adjournment**

Acting Chairman Hubbard called for a motion to adjourn the meeting. Mr. Riccio moved to adjourn the meeting. Mr. Gill Case seconded the motion and all approved. Meeting adjourned at 5:29pm.

#### **Outstanding Council Member Questions Requiring a Written Response:**

None.





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# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

## EERMC FULL COUNCIL MEETING MINUTES

Thursday, February 18, 2021 | 3:30 - 5:30 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

**Members in attendance:** Anthony Hubbard, Karen Verrengia, Matt Ray, Kurt Teichert, Tom Magliocchetti, Peter Gill Case, Bill Riccio, Tim Roughan, Roberta Fagan

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Sam Ross, Mike Guerard, John Tortorella, Ben Rivers, Matt Chase, Daniel Tukey, Kevin Rose, Kai Salem, Jessica Darling, Samantha Caputo, Dr. Carrie Gill, Sue AnderBois, Rachel Sholly, Angela Li, Sydney Usatine, Joel Munoz, Craig Johnson, John Richards, Justin Somelofske, Todd Bianco

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-february-2021/>

### 1. Call to Order

Acting Chairman Hubbard called the meeting to order at 3:32pm

### 2. Approval of Council Meeting Minutes

Acting Chairman Hubbard asked for a motion to approve the January Meeting minutes. Mr. Riccio made a motion to approve minutes from the January meeting as written. Mr. Gill Case seconded and all approved by roll call vote.

### 3. Acting Chairperson Report

Acting Chair Hubbard reviewed the agenda for today's meeting, including highlighting a number of Council votes that need to be completed at today's meeting.

He also noted that there will be an update and significant focus placed on the recent performance incentive mechanism proposal for the energy efficiency program that are still under discussion between the Public Utilities Commission and stakeholders on which the Council will be asked to submit comments.

### 4. Council Business

#### a) *Discussion and Vote on Executive Committee Members*

Ms. Trietch updated the Council on the call for volunteers to formally serve on the Executive Committee until such time as the Governor and Senate consider and approve new appointments



for this body. Acting Chair Hubbard, Mr. Gill Case, and Ms. Verrengia volunteered to serve, but if other Council members would like to serve they should indicate that now.

No additional Council members expressed interest and Mr. Riccio made a motion to appoint Anthony Hubbard, Peter Gill Case, and Karen Verrengia to the EERMC Executive Committee until official appointments from the Governor are completed. Mr. Teichert seconded the motion and all approved by roll call vote.

*b) Discussion & Vote on 2020 Legal Services Budget Allocation*

Please refer to the [Legal Services Budget Memo](#).

Ms. Trietch reviewed the memo submitted by Council attorney Marisa Desautel reviewing the reasons for a budget overage in 2020, including the higher than anticipated number of meetings and technical sessions called by the Public Utilities Commission relating to the energy efficiency program review. The memo seeks approval for raising the 2020 budget allocation to cover the exact overage costs incurred.

Mr. Riccio made a motion to approve a \$4,198.23 increase to the 2021 Legal Services budget allocation in order to cover larger than expected costs incurred at the end of 2020. Mr. Gill Case seconded and all approved by roll call vote.

*c) Discussion & Vote on Council Public Education Proposal*

Please refer to the [Farm Energy Fellow Funding Justification](#) memo.

Ms. Trietch again quickly reviewed the justification memo asking for the Council to support, in partial partnership with the Office of Energy Resources, a Farm Energy Fellow from URI for 2021. The effort would continue to build on the work of the Farm Energy Fellows employed the previous few years in this same structure to support the agricultural community in pursuing energy efficiency projects.

Mr. Riccio made a motion to allocate up to \$7,500.00 from the Council's 2021 Public Education funds to support a Farm Energy Fellow this year. Mr. Gill Case seconded the motion and all approved by roll call vote.

*d) Discussion & Vote on Proposed System Reliability Procurement Comments to the Public Utilities Commission*

Please refer to the [Recommended System Reliability Procurement Comments to the Public Utilities Commission](#) memo.

Mr. Ross reviewed the draft memo, which ultimately recommends approving the plan as filed, and outlined the six (6) implementation priorities included in the comment letter, which are:

- Prioritize location-targeted outreach for energy efficiency (EE) and demand response (DR)
- Broaden opportunities for methodological review and input from stakeholders
- Continued transparency and stakeholder engagement in non-pipes alternatives (NPA) program development
- Enhanced transparency and stakeholder engagement in non-wires alternative project selection methodology and process

- Build & share concrete timelines with specific deliverables
- Continued responsiveness to stakeholder priorities

Mr. Riccio asked if there was any connection between this plan and associated comment letter and the ongoing discussion and modification of the performance incentive mechanism happening in the energy efficiency docket?

Mr. Ross responded that these are completely separate plans and that the System Reliability Procurement efforts are distinct from the conversation around the energy efficiency program's performance incentive that is still ongoing.

Mr. Gill Case made a motion to approve the SRP comments as currently written and to direct the consultant team to work with Marisa Desautel to file the comments with the Public Utilities Commission by the required deadline. Mr. Teichert seconded the motion and all approved by a roll call vote.

*e) Presentation & Discussion on Comments to the Public Utilities Commission Regarding the Energy Efficiency Performance Incentive Mechanism*

Please refer to the [Consultant Team Public Utilities Commission Deliberations on the Energy Efficiency Performance Incentive Mechanism](#) presentation.

Mr. Ross reviewed the process that led to the development of the proposed performance incentive mechanism (PIM); the introduction of the Public Utilities Commission (PUC) modification to that proposal; and the subsequent and ongoing engagement and discussion among the PUC and stakeholders. Recently the PUC led a technical session where they presented and reviewed a revised proposal and answered clarifying questions from stakeholders.

Mr. Ross informed the Council that following that technical session, the PUC has solicited stakeholders for formal comments on the revised proposal, with a workshop on February 25th for any remaining clarifying questions, and a comment submission deadline of March 19th (after the March Council meeting). The consultant team will be preparing draft comments for discussion and vote at the March meeting, which will be informed in part by today's discussion on the matter.

Mr. Ross then went into more detail on the differences between what was originally proposed and what is in the PUC proposal. The PUC proposal emphasizes power sector benefits, excluding most societal benefits, though societal benefits are still used in the Rhode Island Test when screening for cost-effectiveness.

As a result of that change in emphasis, the Residential and Income Eligible (IE) sectors have negative net benefits eligible in the PIM (by design) and therefore National Grid would not earn incentive here, but simply reduce earnings from the Commercial & Industrial (C&I) sector if these two sectors underperform.

Mr. Ross noted that this revised proposal does a better job than their original proposal at ensuring that Residential and IE performance is still important to the company, which was achieved through the service quality adjustment metric so those two sectors are not ignored. The latest

proposal also makes updates to provide greater cost controls and improved clarity based on stakeholder questions.

Mr. Ross made clear that they have some remaining concerns on the proposal, such as the incentive to shift program mix away from that which was approved by the Council due to differences between Rhode Island Test cost and benefit categories and PIM net benefits cost and benefits categories. He noted that this risks pushing back against stakeholder priorities like equity and deeper, comprehensive savings -- essentially programs are likely to focus more heavily on a subset of all cost effective options given the emphasis of this PIM on power sector benefits. Furthermore, in the Residential and IE sectors, future program design is incentivized towards more conservative goals to avoid the earnings penalty, or to enable exceeding those more modest goals in order to earn a higher payout.

Mr. Teichert expressed his disappointment in the direction/signal being given by the PUC here and also frustrated that it feels the Council doesn't have a lot of agency to change the direction here. He is concerned about how we ensure those who need these services most get access to them.

Mr. Ray stated that National Grid very much wants company interests and customer incentives to be aligned in both PIM and program design and as Mr. Ross mentioned, there are some areas where the new proposal may introduce some tensions. He acknowledged that this modified proposal does improve on the original version with some smoothing features that reduce some of the "performance cliffs" originally presented.

He also flagged for everyone that the workshop scheduled for February 25<sup>th</sup> conflicts with the previously scheduled energy efficiency technical working group so as a result that meeting will be adjusted to accommodate the PUC proceeding.

Mr. Gill Case echoed and supported Mr. Teichert's comment and expressed that he feels the exact same way.

*f) Public Comment on the 2021 Energy Efficiency Performance Incentive Mechanism*

Kai Salem, Green Energy Consumers Alliance:

GECA has been following the PIM proceedings and as a settling party we strongly supported these plans in part because of the strides made to address equity in delivering energy efficiency benefits. We were particularly disappointed to see essentially a budgetary cap put on these programs, which is something we have been working against for years. Invite Council members, either individually or as a full Council to consider supporting the extensions and modification of Least Cost Procurement legislation being introduced this session.

Todd Bianco, Public Utilities Commission Staff:

As Commission staff, wanted to let the Council know that the Commission did not put any caps on the programs and renewable energy was not part of this docket and so not any part of these deliberations. Additionally, the Commission in its decision did not deny anything that was cost effective and less than the cost of supply and just wanted to put that on the record since it sounded like other folks may have that impression based on other comments and discussion.

*g) Council Vote on Comments to the Public Utilities Commission on the Energy Efficiency Performance Incentive Mechanism*

Mr. Riccio made a motion to continue this agenda item to the March meeting. Ms. Verrengia seconded the motion and all approved by roll call vote.

**5. Program Oversight**

*a) Update on COVID-19*

Mr. Ray indicated that there were no new updates relating to COVID-19 since the last meeting. He reiterated that all the Community Action Program staff are back in field and a best practices meeting was held this morning with that group and he promised to share any relevant items that may have come out of that meeting with the Council.

*b) National Grid Presentation on 2020 Energy Efficiency Quarter 4 Report*

Please refer to [National Grid's 2020 Energy Efficiency Quarter 4 Presentation](#).

Mr. Richards reviewed the 2020 Quarter 4 performance for the electric program which was down relative to prior years. The Commercial & Industrial (C&I) sector was closest to reaching its goal and Residential was a bit further behind, with the Income Eligible (IE) sector performing worst. He noted that the Energy Star lighting and Home Energy Report programs saw strong performance due to their remote/upstream nature and their in-home programming did not perform as well.

Mr. Richard stated that IE was particularly hard hit due to a longer shutdown of service in that sector from COVID-19 and lag in providing remote audits; he did note that IE sector was also served by the Home Energy Report and Energy Star lighting programs as well, though those savings are counted in the Residential sector.

Ms. Verrengia stated that Carrie Gill from the Office of Energy Resources gave a presentation on Home Energy Reports a few years ago and she wondered if National Grid would give a short briefing or presentation on that program and how those operate and generate savings? She also highlighted that she is working on a program for training the auditors in the Income Eligible program in partnership with the Rhode Island Builders Association that she hopes will help boost those savings numbers in the future.

Acting Chair Hubbard asked if there is a way to determine how many Income Eligible customers are served in the Home Energy Reports and Energy Star lighting categories that are reported in the Residential achievement?

Mr. Richards replied that there are some ways to estimate that, but he can't put a hard number on these in real time. He stated that he can review prior participation studies to see if there has been any breakdown of Income Eligible participation in those programs and report back.

Mr. Richards highlighted that there was a similar trajectory for the gas program as we saw in electric, with slightly lower achievement in gas Commercial & Industrial goals, because gas projects have longer lead times than electric projects. He did point out that the New Construction and Small Business programs did exceed their goals within the sector with the 100% weatherization incentive being a big driver of that. Income Eligible again was the weakest performing sector and COVID-19 limiting in unit programs a big reason for that.

Ms. Li commented that lighting was not included in the last participation study, but they may be able to breakout Income Eligible customers for the Home Energy Reports program and they also have a "hard to reach" category that may provide some context for Income Eligible participation in some programs.

She then went on to reviewed highlights from quarter 4 of the residential program, such as engaging freelance auditors to supplement services offered by the Community Action Programs and doing targeted outreach to landlords.

Ms. Verregnia said that she gets lots of question on landlord engagement/renter access for energy efficiency and was not aware of the webinars mentioned. She asked if she could get on the access list for those and share those with everyone in advance?

Ms. Li Indicated that she would include her on distribution list.

Mr. Tukey reviewed some highlight from the Commercial & Industrial (C&I) sector for quarter 4, which included a large project through their Energy Smart Grocer initiative and another large energy efficiency equipment upgrade at a local manufacturer, both saving hundreds of thousands of kWh per year.

Mr. Gill Case asked if National Grid has or will develop, any case studies on the highlighted projects that he could look at and/or share with folks? He wants to promote the exciting work whenever possible and aggregate numbers dont always tell the full story.

Mr. Tukey indicated that he would provide some project details to Mr. Gill Case on those two projects and discuss a case study.

Mr. Ray indicated that National Grid will work on producing additional case studies, potentially including these projects.

Acting Chair Hubbard noted that it was great to see outreach and programming focused on renters and accessing landlords as that population is often hard to reach and encouraged the Company to continue to focus on those efforts.

*c) Consultant Team Presentation on 2020 Energy Efficiency Quarter 4 Report & Summary of Priority Setting Process for the 2022 Energy Efficiency Plan and 2022 System Reliability Procurement*

Please refer to the [Consultant Team's 2020 Energy Efficiency Quarter 4](#) presentation and the [Consultant Team's Priority Setting](#) presentation.

Mr. Johnson gave a high level overview of electric and gas portfolio performance, both savings achievement and total spending, for 2020 and compared that to annual performance dating back to 2016. An important note he wanted to flag was the recent engagement of RISE Engineering to provide supplemental audit support to ensure more Income Eligible customers can be served.

Ms. Sholly then gave a presentation on priority setting where she reviewed why we develop priorities and how those influence both the Energy Efficiency (EE) and System Reliability Procurement (SRP) plans as well as how those are shared with National Grid and other stakeholders.

She covered how the Council priorities support stakeholder communication and the plan review process and that they are shared with public on the Council website and are often cited in comment letters/testimony/regulatory proceedings.

Then Ms. Sholly reviewed last years priorities, which were in four categories: Savings Targets; Stakeholder Engagement; State Objectives; Access and Coordination. She then opened the floor for discussion as the Consultant Team wants Council opinions for what priorities they have for the 2022 plan process - and how have recent events or recent decisions potentially impacted areas the Council wants to focus on?

Ms. Verrengia mentioned that the Massachusetts Council went really in depth on dissecting programs at a recent meeting she sat in on and that perhaps we consider picking apart some of the lower performing programs in Rhode Island in more detail at our meetings.

Regarding legislation, she feels that appliance standards are incredibly important to ensure these products start to transform like the lighting market has.

She also felt like despite the ppor results in 2020 that the Income Eligible program feels like it is getting better and while this won't happen overnight she feels like it is trending in the right direction. She also asked whether there were other touchpoints for customers to engage with the energy efficiency programs, such as a combined health & weatherization questionnaire at doctor's offices as one example.

Mr. Tecihert satated that in light of the current Public Utilities Commission (PUC) approach, he feels its important that we are clear and strong with setting high standards and expectations so that

any pull back still leads to good results. Other than the performance incentive mechanism, are there other ways or mechanisms the Council can use or have at our disposal to focus efforts and ensure good incentives for company, particularly for Income Eligible?

Mr. Guerard replied that one idea is to invite the PUC or other regulatory personell to the Council retreat to have more discussion on recent shifts in how these proceedings have been received and ruled upon.

Mr. Gill Case commented that he would love to have a dialogue with the PUC to better understand their thoughts and considerations to better inform Council members of how they review these dockets. We should also look to coordinate with the State Energy 2030 plan and should also be aware of growing environmental justice consituency/coalition and try to incorporate those considerations in our priorities.

Mr. Magliocchetti asked if there was any way to look at other Council's like ours around the country and see if there are things we might be able to learn from how they operate and manage programming in their jurisdictions?

Mr. Guerard indicated that Optimal Energy is also the consultant to the Massachusetts council so they are always getting information on how things are operating there. Additiona, the American Council for an Energy Efficient Economy (ACEEE) also continues to rate Rhode Island and Massachusetts a 20 out of 20 on utility operations, so we are still at the forefront nationally.

## **6. Public Comment**

Todd Bianco, Public Utilities Commission Staff:

Today was a very interesting conversation and he hopes that this comment is useful input for the Council and others. To hear everyone discuss that they are detecting a change with the Commission, but also recognizing that the programs themselves have changed, he feels that the Commission hasn't changed as it may seem, but that the programs (and costs) has changed more than Commission has.

As an example, in looking at the gas system the efficiency programs don't provide positive benefits on customer bills, as most are accrued benefits from that work is societal. It is his opinion that the Commission feels that cash benefits or in-system benefits are most valuable as they are realized immediately and quantifiably. Also notes that Income Eligible customers can't monetize the benefits of increased home value if they are renters. These programs used to be net cost-effective in-system and that hasn't been the case since 2019 and he feels this is the fundamental change and not a shifting viewpoint of the Commission. He clsoed by encouraging a strong focus on system savings moving forward to align customer bill savings with National Grid's energy efficiency earnings.

Sam Ross, Counsultant Team:



Appreciates Todd sharing a Commission adjacent perspective and in his mind the alignment between the Rhode Island Test and the performance incentive mechanism (PIM) has been key in developing programs because those incentives are aligned. As programs and markets change, programs will need to evolve and the PIM focusing on something not in lockstep with the Rhode Island Test is simply a shift that stakeholders are still digesting. He would argue that this lack of alignment represents a shift that stakeholders are noticing alongside the changing programs themselves.

## **7. Adjournment**

Acting Chairman Hubbard called for a motion to adjourn the meeting. Mr. Gill Case moved to adjourn the meeting. Ms. Verrengia seconded the motion and all approved. Meeting adjourned at 5:43pm.

### **Outstanding Council Member Questions Requiring a Written Response:**

Acting Chair Hubbard asked if there is a way to determine how many Income Eligible customers are served in the Home Energy Reports and Energy Star lighting categories that are reported in the Residential achievement?

Mr. Richards replied that there are some ways to estimate that, but he can't put a hard number on these in real time. He stated that he can review prior participation studies to see if there has been any breakdown of Income Eligible participation in those programs and report back.



STATE OF RHODE ISLAND

# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

## EERMC FULL COUNCIL MEETING MINUTES

Thursday, March 18, 2021 | 3:30 - 5:30 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

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**Members in attendance:** Anthony Hubbard, Karen Verrengia, Matt Ray, Bill Riccio, Nick Ucci, Joe Garlick, Kurt Teichert, Tim Roughan, Tom Magliocchetti, Peter Gill Case, Roberta Fagan

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Sam Ross, Mike Guerard, Maggie Hogan, Sydney Usatine, Daniel Tukey, Joel Munoz, John Richards, Kai Salem, Adrian Caesar, Josh Kessler, Sue AnderBois, Ben Rivers, Dr. Carrie Gill, John Tortorella, Romilee Emerick, Rachel Sholly, Jessica Darling, Laura Rodormer, Mark Kravatz, Matt Chase, Angela Li, Erin Crafts, Kevin Rose, Laura Schauer, Lynn Roy, Steve Morris, Jesse Smith, Mary Hall-Johnson

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-march-2021/>

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### 1. Call to Order

Acting Chairman Hubbard called the meeting to order at 3:33pm

### 2. Approval of Council Meeting Minutes

Acting Chair Hubbard asked for a motion to approve the February Meeting minutes. Mr. Gill Case made a motion to approve the minutes from the February meeting as written. Ms. Verrengia seconded and all approved by roll call vote.

### 3. Executive Director Report

Commissioner Ucci briefly discussed the announced sale of National Grid's Rhode Island business unit - the Narragansett Electric Company - to Pennsylvania based PPL. The sale still needs to get regulatory approval and that could take as long as a year and there aren't many other details at this time regarding the process and next steps, particularly what impacts, if any, this may have on efficiency work given that the sale was just announced this morning.

### 4. Acting Chairperson Report

Acting Chair Hubbard reviewed the agenda for today's meeting, including highlighting the focus on finalizing the comments on the Energy Efficiency Performance Incentive Mechanism proposal. He also noted that there will be a special public comment period specific to that topic earlier in the agenda for stakeholders and the public to share their thoughts before the Council acts.

Acting Chair Hubbard also flagged several requests of Council members, including a last call for volunteers to review and score the several proposals received as a result of recent public education Requests for Proposals (RFPs). He also urged those who hadn't yet to please fill out the survey on the Council retreat that was circulated this afternoon to inform development of that meeting this summer.

Acting Chair Hubbard then recognized Mr. Guerard from the Consultant team to discuss any updates to pending Least Cost Procurement (LCP) legislation. Mr. Guerard indicated that the initial legislation for LCP was introduced with some significant amendments. That version of the legislation has since been withdrawn by the sponsor and a new piece of LCP legislation was introduced yesterday with limited amendments. The new version primarily seeks to extend the existing law.

He also noted that there will be an update and significant focus later in the meeting on the recent energy efficiency performance incentive mechanism proposal that is still under discussion with the Public Utilities Commission (PUC) and stakeholders. The consultant team has drafted recommend comments to submit to the PUC on this topic. Council discussion and vote on these draft comments will occur later in today's agenda.

## **5. Council Business**

### *a) Discussion & Possible Vote on 2022 Council Energy Efficiency (EE) and System Reliability Procurement (SRP) Priorities*

Please refer to the [Consultant Team Presentation on 2022 Energy Efficiency \(EE\) and System Reliability Procurement \(SRP\) Priorities](#)

Mr. Guerard noted that this topic and others in today's meeting serve as the first activities in the 2022 planning process. He hopes that these priorities will serve as a start to a smooth and gradual process of engaging the Council on important planning topics throughout the year.

To start, he reviewed some of the recent priorities coming out of Connecticut and Massachusetts state Councils as a point of comparison. Mr. Guerard also reviewed the policy recommendations that the Council had made in previous years. He then compared those proposed priorities with the five key priorities that National Grid included in their Three-Year Plan filing, which were:

- Deepen Customer Relationships
- Drive Adoption of Comprehensive Measures
- Expand Active Demand Response
- Achieve Cost Optimization & Efficiency
- A Deeper Equity Lens Across Program Planning & Delivery

Mr. Guerard then shared a list of themes and specific items for consideration and discussion from the Council as potential Energy Efficiency priorities. The themes presented for discussion were:

- Least Cost Procurement & Savings Targets
- Planning & Stakeholder Engagement
- Equity & Access
- Economy & Workforce

- State Goals & Coordination

Mr. Gill Case observed that other states' priorities were more high-level whereas ours are a bit more into the weeds, which he liked. He wants to highlight the impact of peak demand management and its relationship with consumer costs and overall wants to elevate demand response, peak load management, and energy storage as a priority area.

Mr. Teichert commented that the Massachusetts plan includes “demonstrate equitable programs” as a priority whereas our priorities suggest that we “innovate and adopt” and “use an equity lens”. He feels that the key difference there is that the Massachusetts priorities are more outcome oriented and he would like to focus on making our efforts in this area more action-oriented to ensure we deliver on this important topic.

Mr. Garlick commented that he liked the equity lens language used in the Three-Year Plan priorities put forward by National Grid and wants to make sure there is also ongoing data collection and evaluation to ensure that progress is continuing to be made on equity and we aren't just spinning our wheels.

Ms. Verrengia noted that Connecticut has sustainable workforce as a priority and wants to make sure we are making a better/stronger argument for workforce development in our programs. How do we encourage more new ways to engage/grow/train the workforce to meet shifting needs of energy efficiency?

Mr. Teichert asked if there was a specific reason in the draft priorities listed “clean energy jobs” and the later referenced “energy efficiency jobs” – aren't they related and shouldn't we be encouraging both?

Mr. Magliocchetti commented that we should continue to look for alignment with what is happening and/or being prioritized in other jurisdictions.

Ms. Verrengia asked what is being done to promote certain programs and is there a focus to support particularly important sectors? She also asked if there is a way to get better transparency from National Grid on what their awareness efforts are?

After this discussion, Mr. Ross from the consultant team, then reviewed some proposed System Reliability Procurement priorities for the Council's consideration and discussion. These priorities focused on two high level categories: Responsiveness and Stakeholder Engagement.

Mr. Teichert made a motion to adopt the proposed System Reliability Procurement priorities for 2022 as proposed, and to title them as “Recommended EERMC priorities for 2022 System Reliability Procurement”. Ms. Verrengia seconded the motion and all approved by roll call vote.

*b) Review & Discussion of the Council's Draft Report to the General Assembly*

Please refer to the [Consultant Team Presentation on to 2021 EERMC Annual Report to the General Assembly](#)

Mr. Guerard gave a high-level overview of the Council's annual report to the General Assembly, including flagging the new additions for this year's report, which are:

- Updated Priorities for 2022 from the Council
- Energy Justice & Equity Programming
- Energy Training for K-12 Teachers
- Highlights from Pilots, Demonstrations, and Assessments

He emphasized that feedback is requested from the Council by March 25<sup>th</sup> with any edits/concerns/comments before the report is finalized for a Council vote at the April meeting.

## **6. Program Oversight**

### *a) Update on COVID-19*

Mr. Ray provided a brief update on current activities, noting that no service interruptions are currently being experienced as a result of COVID-19 and that the Company continues to offer virtual assessment opportunities to customers, with roughly 40% of customers opting to have a virtual assessment.

Mr. Teichert asked, rather than how many assessments (either virtual or in-person) have been completed, does National Grid have information on how many assessments are in the queue still to be performed?

Mr. Ray indicated that the Company does have that information, and that it comes from a few channels, but he is happy to work with the consultant team to provide that data.

### *b) Discussion on Comments to the Public Utilities Commission on the Energy Efficiency Performance Incentive Mechanism*

Please refer the [Recommended Comments from the Consultant Team](#) and the [Consultant Team Presentation on Comments to the Public Utilities Commission on the Energy Efficiency Performance Incentive Mechanism](#).

Mr. Ross provided a status update on the Performance Incentive Mechanism (PIM) process leading up to today's discussion and vote to ensure everyone had the full context. The next steps in the process are to submit comments to the Public Utilities Commission (PUC) by tomorrow. Once all comments have been received and reviewed the PUC will determine if additional technical sessions and open meetings are needed or if they will schedule a vote.

Mr. Ross noted an overarching concern the consultant team had with the PUC PIM proposal, which is that it introduces a disconnect between the Rhode Island Test for screening programs and what is considered an eligible benefit for which the Company can get paid. Mr. Ross then summarized the responses the consultant team drafted to specific PUC questions.

Concerns were raised by the consultant team in four priority areas, which Mr. Ross covered in detail:

- Equity
- GHG Emission Reductions
- Collaborative Process
- All Cost-Effective Energy Efficiency

In each of these areas, Mr. Ross laid out why the consultant team feels the Commission's proposal provides barriers or disincentives for full and robust program achievement. He then explained in more depth why these categories present areas of concern based on the proposed PUC PIM as compared to the stakeholder PIM that was initially filed in the settlement. Most of the concerns stem from the disconnect created between the Rhode Island test and the eligible benefits used to calculate National Grid's earnings.

Mr. Teichert asked if under the more restrictive interpretation of benefits used in the Commission's proposal, the potential earnings for the Company were reduced compared to prior years?

Mr. Ross indicated that the programs as designed only provide positive net benefits in the Commercial and Industrial Sector under the Commission's definition of benefits and so the full payout pool was allocated to that sector in their proposal. It also introduces a service quality metric designed to encourage access and service for the Residential and Income Eligible sectors otherwise earnings can be eroded. Overall, the Commission proposal provides a similar or potentially greater earning opportunity in this year compared to prior years.

Restated and reviewed the specific recommendations for the Council to vote on were:

- Adopt a Performance Incentive Mechanism for only one year, regardless of the final structure
- Align the Performance Incentive Mechanism with the Rhode Island Test

*c) Public Comment on the Energy Efficiency Performance Incentive Mechanism*

Kai Salem, Green Energy Consumers Alliance:

Ms. Salem indicated that the Green Energy Consumers Alliance supports the proposed comments and observations presented today and their potential impacts on equity and greenhouse gas emissions reductions in particular. Further, Green Energy Consumers Alliance likes the focus on putting emphasis on where the most savings might be accrued from and ensuring that consumers get the most bang for their buck from these programs.

*d) Further Discussion & Vote on Comments to the Public Utilities Commission on the Energy Efficiency Performance Incentive Mechanism*

Mr. Teichert advocated that the Council include a strong recommendation that any performance incentive structure is for only one year to allow everyone to optimize and adjust in subsequent

years as needed. He still has concerns about the goal and incentive structure putting in place an emphasis on setting lower goals and exceeding them, rather than setting aggressive goals to push the boundaries of the programs. He feels that this proposed structure not only does not address that concern, but likely exacerbates it.

Mr. Gill Case stated that he agrees with Mr. Teichert and also expressed a sense of demoralization since not only are we not better supporting the income eligible population through this proposed performance incentive mechanism, but the proposal may in fact be harming them. He feels that this is unacceptable and needs to be avoided. He also noted that he feels there is a bit of a disconnect from shareholder's original proposal which allowed the Company to earn a dollar from any sector. He believes this original proposal better aligned with the Council's specific charge to address all sectors and ensure all customers are benefitting.

Acting Chair Hubbard stated his agreement with the income eligible sector's challenges and concerns and notes that he has had concerns about the performance in that sector for years and does not feel this proposal helps to alleviate those concerns.

Mr. Ray commented that National Grid will be putting forward their own comments and thoughts on the Commission's PIM proposal and he felt that Dr. Bianco's perspective from the last meeting on how the Commission was viewing the benefits of energy efficiency from their perspective was useful to consider.

Mr. Teichert recognized the challenge the Commission faces with near term concerns facing ratepayers but did not agree with the thought process or recommended potential solutions to address income eligible customer energy burdens presented by Dr. Bianco.

Dr. Trietch shared that the Office of Energy Resources will also be putting comments forward that are much in line with what the consultant team has discussed here.

Mr. Riccio made a motion to file the proposed memo of Council comments dated March 19<sup>th</sup> to the Commission as written. Mr. Garlick seconded the motion and all approved by roll call vote.

*e) Presentation on Findings from a Study on National Grid's Energy Efficiency Evaluation, Measurement & Verification (EM&V) Processes*

Please refer to the [Brightline Group Presentation on the Energy Efficiency Programs Evaluation Study](#)

Ms. Roy from the Brightline Group presented their findings from a study they conducted on National Grid's Energy Efficiency program evaluations. This study was undertaken due to a 2018 amendment to the Least Cost Procurement law requiring that an energy savings verification study be conducted. The study was delayed by the COVID-19 pandemic but is now complete. There were three defined tasks of the study:

- Review Evaluation, Measurement & Verification (EM&V) process and ensure it is in line with best practices
- Savings review & verification of the programs
- Billing analysis and customer experience



Ms. Schauer reviewed the process undertaken to review the EM&V process and discussed the results from the study, which was a process evaluation of the evaluation process. Rhode Island exhibits many best practices in their EM&V work and ensures the results gained are sound and defensible. Some suggested opportunities for improvement centered around ensuring that sufficient time is given to adequately conduct studies and ensure sufficient feedback can be collected and incorporated, which can also be supported by more proactive planning.

Ms. Roy then reviewed the process used to evaluate the savings calculations and verify the program results. 30 measures were prioritized and compared to 22 other programs across the country. The results indicate that National Grid is continually evaluating and updating their measures and only two measures were out of alignment with the rest of the industry. These two measures were Commercial & Industrial upstream lighting and Single Family Light Emitting Diode (LED) screw-in bulbs, with Rhode Island's savings values being higher than industry standards for both those programs. The evaluation reports being generated from EM&V were found to be consistently high quality and they provide useful and actionable feedback for improvement to the programs.

Ms. Roy then reviewed the billing analysis that was conducted. The billing analysis was supplemented with customer interviews to ascertain where there may be misalignment between the expected and realized impacts of the programs. The results indicate that the electric sector savings claimed by National Grid were positively correlated with realized savings, whereas for the gas sector the savings claimed by National Grid were largely not correlated, though the small natural gas sample size severely limited the gas portfolio finding.

Mr. Teichert asked about the gas analysis, where the small sample of 34 projects seemed to be a big factor in the lack of correlation of results, what was the limiting factor that led to the small sample result for gas versus electric?

Ms. Roy indicated that a lot fewer gas projects were completed to review and then the filtering conducted as part of their analysis - especially filters that looked for strong data quality - further limited the sample size as well for gas.

*f) Consultant Team & National Grid Joint Presentation on 2021 Evaluation, Measurement & Verification (EM&V) Studies & Process for 2021*

Please refer to the [Consultant Team Presentation on 2021 EM&V pending impacts](#)

Mr. Guerard reviewed the core factors that influence 2022 planning for energy efficiency and highlighted how and where Evaluation, Measurement & Verification (EM&V) results fit into that process. For 2022, the study completion deadline is August 2021 to ensure incorporation of results into the 2022 energy efficiency program plan. He also covered some of the variable factors that will impact the 2022 planning process (and beyond), including Public Utilities Commission rulings and state policy objectives like the 100% renewable electricity by 2030 effort.

Mr. Ross then reviewed the pending EM&V studies being undertaken in Rhode Island in 2021 and the common impacts those studies will have on the plans, including a couple of specific highlights for ongoing studies.

## **7. Special Topics**

### *a. Presentation on Rhode Island's 100% Renewable Electricity Initiative*

Please refer to the [OER Presentation on Rhode Island's 100% Renewable Electricity Initiative](#)

Motion made by Mr. Riccio to move this agenda item to a future meeting. Mr. Gill Case seconded and all approved by roll call vote.

## **8. Public Comment**

Kai Salem, Green Energy Consumers Alliance:

Ms. Salem discussed several pieces of legislation introduced in this session, including a Least Cost Procurement extension bill, and hoped the Council as a whole or as individuals would engage and/or support that legislation. She noted that Green Energy Consumers Alliance also supports many of the amendments that were in the original bill that was filed, and subsequently revoked.

She also noted that a bill on implementing stronger appliance standards has a hearing tonight in the Rhode Island legislature, and a similar bill passed the Massachusetts House today, again she encouraged Council members to engage and support as appropriate.

Ms. Salem closed by noting that all these pieces of legislation demonstrate the need and importance of robust energy efficiency programs and the need to be more, not less, aggressive in future plans to reach the goals and targets we all have for our climate and environment.

## **9. Adjournment**

Acting Chairman Hubbard called for a motion to adjourn the meeting. Mr. Gill Case moved to adjourn the meeting. Mr. Teichert seconded the motion and all approved. Meeting adjourned at 5:44pm.

### **Outstanding Council Member Questions Requiring a Written Response:**

Mr. Teichert asked, rather than how many assessments (either virtual or in-person) have been completed, does National Grid have information on how many assessments are in the queue still to be performed?



STATE OF RHODE ISLAND

# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

## EERMC FULL COUNCIL MEETING MINUTES

Thursday, April 22, 2021 | 3:30 - 5:30 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

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**Members in attendance:** Anthony Hubbard, Peter Gill Case, Matt Ray, Bill Riccio, Roberta Fagan, Karen Verrengia, Tom Magliocchetti, Kurt Teichert

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Mike Guerard, Crystal Johnson, Angela Li, Matt Chase, Daniel Tukey, John Tortorella, Hank Webster, Ashley Estrada, Dr. Carrie Gill, Rachel Sholly, Josh Kessler, Kai Salem, Joel Munoz, Laura Rodormer, Kevin Rose

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-april-2021/>

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### 1. Call to Order

Acting Chairman Hubbard called the meeting to order at 3:34pm

### 2. Approval of Council Meeting Minutes

Acting Chair Hubbard asked for a motion to approve the March Meeting minutes. Mr. Gill Case made a motion to approve the minutes from the March meeting as written. Ms. Verrengia seconded and all approved by roll call vote.

### 3. Executive Director Report

Acting Chair Hubbard provided several updates on behalf of Commissioner Ucci, who was unable to make the meeting. First was a reminder to Council members about potential conflict of interest reporting, as referenced in Section 9 of the Council by-laws, which are included as a meeting material and linked in full on the Council's website.

He also brought up for discussion the possibility of moving the start time of Council meetings up from 3:30pm to 3:00pm to provide more flexibility for folks in the evening hours, particularly if meetings run over time as they have in the past.

Ms. Verrengia and Mr. Gill Case commented that they had no issues with the proposal to move meeting start times earlier and were supportive of the idea at the recent Executive Committee meeting as well. Mr. Magliocchetti, Mr. Riccio, and Mr. Teichert all were supportive of the idea as well. Mr. Riccio asked if we should put it on the agenda for next month's meeting to allow for public comment on the matter, since it may impact public participation?

Acting Chair Hubbard suggested that we have that change take effect for the June meeting to allow the public and others to adjust their schedules in advance.

Mr. Magliocchetti also brought up the point that as part of a conversation about adjusting schedules, it is important that presenters stick to their allotted time.

Acting Chair Hubbard then asked the Council about the process for meeting materials distribution and if they were comfortable being notified by email when materials are posted on the Council website rather than having them be emailed out as attachments?

Mr. Riccio commented that this was a great idea so long as the timeline of having materials available one week in advance is held to.

Mr. Teichert indicated that he is very supportive of that process change.

Ms. Verrengia asked that when the email notification is sent out that it links directly to the materials page on the website for ease of access and so new materials are easily identified.

#### **4. Acting Chairperson Report**

Acting Chair Hubbard reviewed the agenda for today's meeting, including the several votes taking place at today's meeting, and highlighted the materials that will not be discussed during the course of today's meeting but were made available for Council review.

He also called attention to the fact that the Public Utilities Commission has not ruled on the outstanding items from the 2021 Energy Efficiency plan yet, which includes the transfer of funds to the Rhode Island Infrastructure Bank to support the Efficient Buildings Fund and the determination on the structure of the Performance Incentive Mechanism, but the hope is that a ruling will be made before next month's meeting.

Lastly, Acting Chair Hubbard mentioned to everyone that he will be monitoring presentation time and cutting presenters off once their time has been reached to keep the meeting on schedule. He will take into account any questions from Council members that may cut into that time though.

#### **5. Council Business**

##### *a) Discussion & Vote on 2022 Council Energy Efficiency (EE) Priorities*

Please refer to the [Consultant Team Presentation on 2022 Council Energy Efficiency Priorities](#)

Mr. Guerard outlined three overarching priorities that should always inform and guide the work being done in the 2022 planning process. Those three reference priorities are:

- 2021-2023 Three Year Plan
- Least Cost Procurement (LCP) Standards
- Stakeholder Priorities and Input

Mr. Guerard then reviewed the specific priorities included in the memo that the Council will be voting on, which are:

- Align with the Three-Year Plan
  - Target the "High" scenario for savings and identify and justify any barriers
  - Align with the Market Potential Study
  - Maximize savings and benefits achievement while maintaining cost-efficiency
- Comply with LCP Standards

- Apply clear, outcome oriented direction provided in the Standards section and include key metrics to be tracked and reported
- Incorporate Stakeholder Input
  - Reflect priorities put forward at the Technical Working Group Meetings
  - Include any findings and conclusions from the Equity Working Group
  - Include learnings from customer feedback activities and the annual Combined Heat & Power event for stakeholders
- Support Equity & Access
  - Fulfill and apply results from the 2021 Energy Efficiency Plan to the 2022 development process, including the non-participant study and multi-family housing census
  - Include clear, detailed remediation strategies to assure corrective action for underperforming programs
  - Have a clear, comprehensive list of tasks that will be added to quarterly reports to support full and transparent accountability on performance of achieving commitments on a regular basis
- Ensure Effective & Efficient Development and Review Process
  - Adhere to the Key Deliverables and Schedule outlined with the Council early this year to allow for sufficient review and discussion time for plan components prior to Council votes so that each member is confident that they can make an informed decision on whether or not to endorse the plan

Mr. Ray commented that because of the 5% maximum budget increase and the removal of supplemental workforce funding as part of the approval decision made by the Public Utilities Commission that the compliance filing National Grid made no longer includes the “high” scenario from the original filing.

Mr. Teichert responded by stating that the 5% limit was specific for the program budget, and not savings targets. Therefore, couldn’t the Council still indicate its desire to aim for the high target and then work to maximize savings we can achieve with the budget available?

Mr. Gill Case made a motion to approve the 2022 Energy Efficiency Plan Priorities of the Council as written in the memo from the consultant team. Mr. Teichert seconded the motion and all approved by roll call vote.

*b) Discussion & Vote on the Council’s Report to the General Assembly*

Please refer to the [EERMC Annual Report](#)

Ms. Sholly reviewed the 2021 Annual Report, highlighting the new sections in the 2021 report and noting the few areas in the text where final numbers from National Grid are still pending their annual report filing later this month.

Acting Chair Hubbard noted that the energy justice section references “proposed language”, which he didn’t see in the report – was that an intentional decision? He feels it’s important that the Council include that language around equity they proposed in the Least Cost Procurement standards discussion in its report. Mr. Teichert and Ms. Verrengia also support including that language.

Mr. Riccio noted that the posted version had a typo on the cover that needs to be corrected. Also pointed out another typo on page 34 for correction. He also asked if pages currently blank will remain that way, and if so, should text indicating that blank page is intentional be added?

There was discussion around the submission deadline of April 15<sup>th</sup> and whether it was possible to move that date since given the timing of final data from National Grid and the Council review process that they never meet that deadline.

Dr. Trietch noted that the April 15<sup>th</sup> submission date is in the legislation and so changing that isn't likely. While National Grid explores opportunities to get year-end data out of the quality assurance process sooner, the Office of Energy Resources has been able to communicate successfully to the General Assembly that the timing challenges we face are related to ensuring full data accuracy of the report and that hasn't been an issue for them.

Ms. Verrengia made a motion to approve the Annual Report document as written, with the only changes to include the correct of typographical errors and the inclusion of National Grid's year end data, the just voted upon Council priorities, and the energy justice language as suggested by Acting Chair Hubbard.

Mr. Teichert seconded the motion and all voted in favor with Mr. Riccio opposed.

*c) Discussion & Vote on Review Committee Recommendations for Proposal Selection – educational video and event planning*

Please refer to the review committee's [event planning recommendation](#) and the [educational video recommendation](#)

Dr. Trietch reviewed the process undertaken by the review committee in reviewing four proposals received for the Request for Proposals (RFP) for educational video production. After reviewing and scoring the proposals, the review committee has recommended Duffy & Shanley as the vendor to be selected for the award.

Mr. Riccio noted the recommendation by Duffy & Shanley of translation into multiple languages and use of closed captioning, but couldn't tell if that would be included as part of their proposal as written. If not included, what additional cost would those services be?

Acting Chair Hubbard asked what happens if in contract negotiations, adding services like translation and closed captioning bring the Duffy & Shanley cost above a competitor, could we come back as a Council and award another vendor rather than go back and issue another full RFP?

Dr. Trietch indicated that was the process that would be available to the Council in that scenario. If during negotiations cost becomes an issue the Council could seek to award a different vendor or issue another RFP. Also, while these proposals are higher than what the Council had estimated for this line item in the budget, there are plenty of unallocated funds in the Council budget should you wish to allocate them to this purpose.

Mr. Riccio noted that in the Quarter One budget summary, the estimated amount was only \$15,000.00 for this task, and this proposal is significantly higher than that number and asked if the Council has the funds to cover that in our budget?

Mr. Cleveland indicated that the Council indeed had sufficient funds to cover increasing the line item cost to award Duffy & Shanley at the proposed number should they so choose and indicated he would provide an updated budget document to the Council outlining the exact amount of available funds for the next meeting.

Mr. Riccio made a motion to approve Duffy & Shanley as the selected vendor for educational video production, with a budget not to exceed \$75,000.00 including translation and closed captioning services. Ms. Verrengia seconded the motion and all approved by roll call vote.

Dr. Trietch reviewed the process undertaken by the review committee in reviewing three proposals received for the Request for Proposals (RFP) for event planning. After reviewing and scoring the proposals, the review committee has recommended Duffy & Shanley as the vendor to be selected for the award, with a recommended contract length of one year, with the option for the Council to exercise up to two additional twelve month extensions based on performance.

Mr. Riccio stated that the RFP asks for services for one year, and asked if the Council is allowed to do option years if those were not included the proposal?

Dr. Trietch responded that there was a statement in the RFP, which allows for renewal options, so that is allowed under purchasing rules as long as the option periods are limited.

Ms. Verrengia made a motion to approve the recommendation of the review committee as written, and Mr. Gill Case seconded the motion.

Mr. Riccio proposed an amendment to Ms. Verregnia's motion to be more specific. His modified motion was "to choose Duffy & Shanley as the awarded vendor for this RFP based on the recommendation of the review committee to a one year contract with a budget not to exceed \$30,000.00. Ms. Verrengia accepted the modification and restated her original motion to include the language proposed by Mr. Riccio. Mr. Riccio then seconded the modified amendment and all approved by roll call vote.

Acting Chair Hubbard then requested that recommended vote language be provided to the Council for future meetings and for all votes.

*d) Discussion on Council Retreat Topics*

Please refer to the [Consultant Team Memo on the Member Retreat](#)

Ms. Sholly reviewed the recommendations in the consultant team's memo about the Council retreat, which is based on Council member responses to the survey questions. Based on those results, the consultant team is planning to have two, shorter retreat sessions this year. Ms. Sholly reviewed the proposed agenda for the first session, which would be conducted virtually, and include a regulatory oversight conversation with Public Utilities Commission staff should they be able to attend.



Acting Chair Hubbard reminded Council members that a link to indicate your availability for the Council retreats was circulated today, so please use that and respond as soon as you are able so the first session can be scheduled.

## 6. Special Topic

### a) *Presentation on Rhode Island's 100% Renewable Electricity Initiative*

Please refer to the [Office of Energy Resources Presentation on the 100% Renewable Electricity Initiative](#)

Dr. Gill led off by informing everyone that there is a full webpage on the Office of Energy Resources (OER) website dedicated to this subject and report, including the full report and technical appendices at <http://www.energy.ri.gov/100percent/> and encouraged everyone to visit that site and read through the full materials if they would like additional details.

Dr. Gill began by highlighting the genesis of this work was Governor Raimondo's Executive Order 20-01, which established the goal for the economic and market analysis undertaken by OER and its consultants throughout 2020. She noted that this process included three community listening sessions to educate and engage the public along the way and ensure this was a comprehensive analysis and report.

There are four main components of the final report: foundational principles, technical analysis, stakeholder input, policy and programmatic recommendations, which Dr. Gill then went into more detail on.

She noted that the foundational principles were broken into three main categories – decarbonization principles, economic principles, and policy implementation principles and each of these principles had supporting themes to them, which include:

- Decarbonization Principles
  - Exemplify climate leadership
  - Create incremental power sector decarbonization
  - Facilitate broader decarbonization
- Economic Principles
  - Pursure cost-effective solutions
  - Improve energy and environmental equity
  - Create economic development opportunities
- Policy Implementation Principles
  - Ensure solutions are robust and sustainable beyond 2030
  - Build upon Rhode Island's existing renewable energy mechanisms
  - Be consistent with other Rhode Island priorities and policies

Dr. Gill then gave an overview of some of the technical details that went into the analysis, which includes forecasting demand. Energy efficiency is forecast to be a huge part of the equation in reducing energy usage at a rate of 150 gigawatt hours (gwh) per year, however that is below what these programs have achieved the previous five years and so it should be easily attainable over the long term to maintain that level of efficiency to support getting to 100% renewable electricity by 2030.

Dr. Gill noted that even with all this successful energy efficiency, load growth leads to a gap of 4600 gwh of energy that we need to fill with renewables to meet our 100% goal by 2030 and she then shared the analysis of what filling that gap with only a single type of resource would look like. That analysis demonstrates the scale and cost of using a single technology and provides helpful context and illustrates the tradeoffs inherent among these technology options, including Renewable Energy Credits (RECs).

Dr. Gill continued with a review of the economic analysis, which shows that regardless of which pathway we pursue, it will cost money and incrementally increase electric bills in Rhode Island. However, that analysis doesn't show any of the avoided costs that making these investments in renewable energy provides, like to health outcomes, for example. Moreover, she notes that it isn't realistic to fill this gap with a single technology and so six portfolio mixes were developed blending all the technology options in varying proportions that allows for comparisons of economics impacts, bill impacts, and local economic impacts among the various options.

Dr. Gill then briefly reviewed the policy and programmatic recommendations of the report, which include establishing a 100% renewable energy standard, extending Least Cost Procurement legislation, and to look for ways to incorporate and leverage emergin technologies as appropriate.

Mr. Gill Case stated that retail solar is a tricky option because of land-use concerns associated with it and noted that rooftop solar has been more prevalent in Rhode Island as a result and asked if the the report factors these costs in?

Dr. Gill responded that yes, to the extent siting concerns has impacted pricing of installed projects then those factors appear in this analysis. Also, one of principles is to be consistent with other state policies and so balancing these technologies is part of the planning as well.

## **7. Program Oversight**

### *a. Update on COVID-19*

Mr. Ray indicated that there have been no major changes resulting from COVID-19 in program operations.

## **8. Public Comment**

None

## **9. Adjournment**

Acting Chairman Hubbard called for a motion to adjourn the meeting. Mr. Riccio moved to adjourn the meeting. Mr. Gill Case seconded the motion and all approved. Meeting adjourned at 5:23pm.

**Outstanding Council Member Questions Requiring a Written Response:**

Mr. Cleveland to circulate an updated Council budget at the May meeting indicating the exact amount of unallocated funds available.



STATE OF RHODE ISLAND

# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

## EERMC FULL COUNCIL MEETING MINUTES

Thursday, May 20, 2021 | 3:30 - 5:30 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

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**Members in attendance:** Anthony Hubbard, Karen Verrengia, Matt Ray, Bill Riccio, Nick Ucci, Peter Gill Case, Kurt Teichert, Tom Magliocchetti,

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Mike Guerard, Sam Ross, John Tortorella, Dick Fay, Rachel Sholly, Craig Johnson, Dr. Carrie Gill, Matt Chase, Joel Munoz, Kevin Rose, Sydney Usatine, Adrian Caesar, Laura Rodormer, Adam Jacobs, Sue AnderBois, Angela Li, Daniel Tukey, Karen Bradbury, Lance Waranis, Josh Kessler

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-may-2021/>

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### 1. Call to Order

Acting Chairman Hubbard called the meeting to order at 3:32pm

### 2. Approval of Council Meeting Minutes

Acting Chair Hubbard asked for a motion to approve the April Meeting minutes. Mr. Teichert made a motion to approve the minutes from the April meeting, to include the grammatical corrections provided in the updated version circulated and posted prior to the meeting. Mr. Riccio seconded and all approved by roll call vote.

### 3. Executive Director Report

Commissioner Ucci provided an update on the appointments process for the Council, noting that names of potential appointees have been floated to Senate but at this time it is unclear if those will move forward to actual votes this session. Should there be any updates, Commissioner Ucci promised to keep the Council informed.

He also provided an update about a forthcoming Request for Proposals (RFP) – a second Zero Energy for the Ocean State (ZEOS) RFP – for affordable housing developments in partnership with Rhode Island Housing that will lead to more affordable zero net energy homes in Rhode Island.

Lastly, Commissioner Ucci informed the Council that a bid protest has been received on the energy video RFP the Council issued and awarded. As Chief Purchasing Officer, Commissioner

Ucci is reviewing that protest at this time and once that has been resolved and the vendor notified the Council would be updated accordingly.

#### **4. Acting Chairperson Report**

Acting Chair Hubbard reviewed the agenda for today's meeting, including the vote taking place at today's meeting, and highlighted the materials that will not be discussed during the course of today's meeting but were made available for Council review.

He reminded everyone that the first virtual retreat is set for Friday May 28<sup>th</sup>, and calendar invites were sent to Council members by the consultant team. He noted that this meeting is open to the public as well for those interested in joining, though no Council business will be conducted.

Acting Chair Hubbard also reminded everyone of the June meeting schedule change to a 3pm start time, so please update your calendars and plan accordingly for next month's meeting will mark the beginning of this schedule change.

Lastly, he noted that the Combined Heat and Power (CHP) annual meeting announcement has been circulated and it will be a virtual meeting this year with all Council members having received invites already, with an agenda forthcoming.

#### **5. Council Business**

##### *a) Discussion & Vote on System Reliability Procurement (SRP) Letter*

Please refer to the [Comment Letter on 2020 System Reliability Procurement Year-End Report](#)

Mr. Ross reviewed the memo circulated by the consultant team summarizing the 2020 System Reliability Procurement (SRP) Year-End report. There were no comments or concerns regarding the updating screening criteria for the non-wires alternatives (NWA) included in the year-end report, and while the consultant team did have some comments and areas for suggested improvement around the non-pipes alternative (NPA) program discussed in the year-end report, since that is an ongoing, in-development program they are confident we will be able to discuss and address those items as the program development process continues. As such, Mr. Ross indicated that the consultant team recommends approving the comment letter as written.

Mr. Riccio asked for clarification around the open-endedness of the memo and the timing of when it would be submitted and the reference to comments from other stakeholders.

Mr. Ross confirmed the intent of that open-endedness was to acknowledge that the NPA process was ongoing and so as that process moves forward, in other dockets, there may be additional comments made on program development that warrant consideration.

Mr. Teichert made a motion to approve the SRP 2020 Year-End Report Comment Letter with the amendment to strike "and other stakeholders" from the end of memo in the recommendations paragraph and to direct the Consultant Team to work with the EEMRC's attorney to file the letter with the Public Utilities Commission on or before May 20, 2021. Ms. Verrengia seconded the motion.

Mr. Riccio asked for clarification regarding the inclusion of reference to other comments in the comment letter, and whether the Council's recommendation is contingent on comments from other parties, which is how he read it.

Mr. Ross replied that the intent was not to make the Council's recommendation contingent on comments from other parties and that bullet four in the comment letter is simply meant to acknowledge that the non-pipes alternatives (NPA) program is still in development and as that process continues there may be other comments made on that subject given that there are expected areas of uncertainty still to be resolved.

Mr. Riccio suggested an amendment to the comment letter to clarify the Council's recommendation, indicating that the recommendation should read "acknowledging that additional comments may be provided by the consultant team and other stakeholders as part of the continued development of the NPA program" which strikes "can be addressed" from the proposed language.

Mr. Teichert updated his motion based on Mr. Riccio's comments. He made a motion to approve the SRP 2020 Year-End Report Comment Letter as drafted by the consultant team with the following amendments: to modify the recommendation to read "The Council recommends approval of the SRP 2020 year-end report acknowledging that additional comments may be provided by the Consultant Team and other stakeholders as part of the continued development of the NPA program" and to direct the Consultant Team to work with the EEMRC's attorney to file the letter with the Public Utilities Commission on or before May 20, 2021. Mr. Gill Case seconded the amended motion. All approved by roll call vote

## **6. Program Oversight**

### *a) Public Utilities Commission Energy Efficiency Ruling Summary*

Please refer to the [Consultant Team Memo on the Public Utilities Commission Energy Efficiency Rulings](#)

Mr. Ross reviewed the rulings coming out of the April 29<sup>th</sup> Open meeting of the Rhode Island Public Utilities Commission (PUC). He provided a summary of what the two rulings were:

1. Approved the allocation of \$5 Million dollars from National Grid to the Rhode Island Infrastructure Bank (RIIB) for support of the Efficient Buildings Fund with some additional reporting requirements made of National Grid for inclusion in their year-end report.
2. Approved the Commission's proposed Performance Incentive Mechanism (PIM) with 5 modifications, all relatively minor in nature.
  - a. Adopt typographical error changes identified in Rules 2 & 3 by National Grid.
  - b. Define the undefined space in quadrant 4 identified by the EEMRC by applying Rule 1 in the vertical space up to the horizontal axis and rule 3 in the remaining horizontal space
  - c. Remove Step 2 on slide 8

- d. Adopt the numbers provided by National Grid identified in revised Table 7 and revised Table 9 in post-hearing data request 2-1
- e. Adopt a service quality adjustment for the market rate residential gas sector and set the Design Service Achievement equal to the cost of the program in this sector

Mr. Ross reminded everyone that the Council provided comments on the Performance Incentive Mechanism (PIM) as part of this proceeding and only one, around the undefined performance space, was addressed directly. With these rulings in place, the 2021 plan is now final.

Now that the plan is finalized, the Council via the consultant team, will continue to provide oversight and support during program implementation of the 2021 plan, as they have already begun to do. As the 2022 and 2023 plans are developed, the consultant team will have a focus on monitoring the concerns raised by the Council in their comments on the PIM structure, and will be working to support and encourage plans to pursue the Council-approved targets.

Mr. Gill Case asked if Mr. Ross could discuss a bit more the impact of the switch in units to lifetime?

Mr. Ross replied that it is important to align the way programs are measured with the benefits that are being provided over the lifetime of the effective useful life of installed equipment. Also, by going to net benefits and having common units (\$ in this case) allows for better comparison across fuel types with different energy units and also allows for incorporation of non-energy impacts more easily as well.

Mr. Teichert asked if this ruling was just for the 2021 program year or does the now-approved performance incentive apply to future years as well?

Mr. Ross stated that the Commissioners approved this performance incentive for 2021 in one motion, and then approved in a separate motion the same performance incentive structure for 2022 and 2023, noting the opportunity for stakeholders to provide evidence in future dockets of why this structure should be continued or ways in which it may need to be modified.

*b) 2020 & 2021 Program Results Presentation*

Please refer to the [Consultant Team Program Results Presentation](#)

Mr. Ross reviewed the 2020 summary of System Reliability Procurement (SRP) activity, with all commitments either completed or part of ongoing processes. The development of the first Three-Year Plan for SRP was a big focus in 2020.



Mr. Johnson reviewed some high level Energy Efficiency portfolio takeaways from the full scope of 2020 results, which showed underachievement in both the electric and gas sectors and coupled with meeting participation goals means that fewer savings are being achieved per participant.

He then reviewed the performance of the residential and income eligible sectors in more depth for 2020 and compared that to quarter one of 2021. In the residential sector, the Heating, Ventilation & Air Conditioning (HVAC), Lighting, Home Energy Reports, and New Construction programs all performed well in the electric sector and the EnergyWise program performed well in the gas sector. Conversely, the EnergyWise Multi-Family, Income Eligible Single and Multi-Family programs all underperformed in the electric sector, while the HVAC and New Construction programs were laggards in the gas sector in 2020.

Mr. Johnson concluded with some comparisons between the market rate and income eligible programs, noting that Market Rate programs outperformed the Income Eligible ones across the board in both fuels and key metrics. Therefore, income eligible performance is a key topic to address in 2022 planning. Similarly, both the Market Rate and Income Eligible Multi-Family programs struggled in 2020 and both programs will be areas of focus in 2022 planning as a result.

Mr. Jacobs provided an overview of the Commercial & Industrial programs for 2020 and quarter 1 of 2021. He highlighted that the Small Business Direct Install & New Construction programs performed well in 2020 and we are hoping to build on that success moving forward, with 2021 off to a good start for those programs. However, the retrofit program for both electric and gas, which is most of the planned electric savings (~75%) and gas savings (~64%), did not perform up to expectations. Mr. Jacobs noted that for the electric sector, the program underachieved and has been hard to diversify beyond lighting even though lighting is only ~20% of commercial energy load. For the gas sector, he flagged that we underspent the budget in addition to underachieving the savings so many savings opportunities remain in play.

As mentioned earlier, Mr. Jacobs highlighted that so far in 2021, both electric and gas portfolios are at or ahead of past performance through quarter 1, which is a promising start as we look to improve on 2020 performance in this sector. He also sees opportunities to work with re-opening businesses given the new heightened focus on ventilation – which happened to be the largest source of untapped savings from the potential study.

Mr. Johnson then reviewed all the commitments made by National Grid in their 2021 plan (120 total commitments) and of those to be reported on in quarter 1, 8 are complete, 37 are in progress/on track, and 21 have not been started. He reiterated that the consultant team will be providing updates on these commitments throughout the year.

*c) National Grid Update on 2022 Energy Efficiency Program Planning*

Please refer to the [National Grid 2022 Energy Efficiency Program Planning Presentation](#)

Mr. Tortorella reviewed the process National Grid has taken in the development of the 2022 plan to date. At the March and April Technical Working Group (TWG) meetings, National Grid had stakeholders present their priorities for the upcoming plan and National Grid is synthesizing those priorities. He mentioned that a memo will be circulated the first week of June outlining the themes of the plan with a full first draft scheduled to be shared on July 15<sup>th</sup>. There will be a two week comment period on that first draft and then the final draft will be delivered on September 8<sup>th</sup> in preparation for the October 1 filing deadline.

Mr. Tortorella shared an initial priority matrix of what was heard from stakeholders, showing both a wide range of categories being put forward, as well as a number of areas (like equity) that have strong consensus. He also mentioned that the recent Public Utilities Commission rulings will be informing their planning –specifically learning the new Performance Incentive Mechanism structure and how that informs program design as well as the 5% max increase in annual budget for 2022 and 2023.

He closed by reiterating that deep dive meetings are happening now with stakeholders on key topics, with the start of what will likely be bi-weekly meetings of the Equity Working Group starting soon.

## **7. Special Topic**

### *a. Presentation on Purpose & Process of Deep Dive Meetings with National Grid*

Please refer to the [Consultant Team Presentation on Deep Dive Meetings with National Grid](#)

Mr. Johnson provided some details and context around what the 2022 deep dive planning meetings are and how they will help drive the 2022 planning process forward.

He explained that these are dedicated meetings on specific topics that represent key areas of focus for the upcoming plan, but not a comprehensive list of focus areas that will be in the plan when drafted. These meetings were set up to allow implementation meetings on the 2021 plan to not be derailed with 2022 planning discussions and allow the stakeholders to collaborate and set expectations as we get into the initial draft of the plan.

Mr. Johnson shared that the topics scheduled for deep dive conversations are as follows: Income Eligible, Small Business, Active Demand, Multifamily, New Construction, Workforce Development, Residential Retrofit, Equipment System Performance Optimization (ESPO).

Mr. Johnson then reviewed the several deep dive meetings that have happened so far, on Small Business, Income Eligible Single-Family, and Active Demand. Each of these meetings has been productive and has led to both strong discussion, exchange of ideas, and next steps that will advance program planning for 2022.

Mr. Teichert noted that the Income Eligible topic discussed additional funding sources and asked if there are identified sources currently or something that is going to be explored moving forward?

Mr. Johnson replied that this came up in the meeting as something to explore moving forward, and so our collective next step is to explore what specific opportunities or sources may exist to provide additional financial support to this work.

**8. Public Comment**

None

**9. Adjournment**

Acting Chairman Hubbard called for a motion to adjourn the meeting. Mr. Riccio moved to adjourn the meeting. Mr. Teichert seconded the motion and all approved. Meeting adjourned at 5:13pm.

**Outstanding Council Member Questions Requiring a Written Response:**

None



STATE OF RHODE ISLAND

# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

## EERMC FULL COUNCIL MEETING MINUTES

Thursday, June 17, 2021 | 3:00 - 5:00 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

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**Members in attendance:** Anthony Hubbard, Karen Verrengia, Nick Ucci, Peter Gill Case, Joe Garlick, Bill Riccio, Kurt Teichert, Tim Roughan, Matt Ray

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Mike Guerard, Sam Ross, Adam Jacobs, Adrian Caesar, John Richards, Evan McCune, Kevin Rose, Hank Webster, Jill Goodman, Kai Salem, Josh Kessler, Ben Rivers, Lance Waranis, Laura Rodormer

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-june-2021/>

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### 1. Call to Order

Acting Chair Hubbard called the meeting to order at 3:01pm.

### 2. Approval of Council Meeting Minutes

Acting Chair Hubbard asked for a motion to approve the May Meeting minutes. Mr. Gill Case made a motion to approve the minutes from the May meeting. Mr. Garlick seconded and all approved by roll call vote.

### 3. Executive Director Report

Commissioner Ucci provided updates regarding legislation on energy efficiency topics, including Senate Bill 634, which passed the Senate and is pending review by the House. That bill would extend Least Cost Procurement law until 2036, as well as change the regulatory funding formula for the Council and the Office of Energy Resources, which would result in the Council receiving ~\$200,000 a year in additional revenue per year.

Mr. Gill Case asked for a clarification of the history and split percentages of the regulatory funding.

Commissioner Ucci indicated that historically the regulatory budget was 2% of the System Benefit Charge (SBC) revenue collected by the energy efficiency programs each year split evenly between the two organizations. This bill would increase the regulatory budget pool to 3% of the collected SBC revenue, and also adjust the split of that pool to be 60% going to OER and 40% going to the Council. As a result, each agency would receive more funding in the future if this bill passes.

#### **4. Acting Chairperson Report**

Acting Chair Hubbard reviewed the agenda for today's meeting, including the votes taking place at today's meeting, and highlighted the materials that will not be discussed during the course of today's meeting but were made available for Council review.

He also reminded the Council that anyone wishing to have a one-on-one conversation with the Consultant Team about the 2022 Energy Efficiency planning process, or any other topic, should reach out to Mr. Guerard directly to schedule one.

#### **5. Council Business**

##### *a) Review & Vote on Consultant Team 2021 Scope of Work & Budget*

Please refer to the [Consultant Team Memo on 2021 Scope of Work & Budget](#)

Mr. Guerard reviewed the memo prepared for the Council outlining year-to-date achievement of assigned tasks to the Consultant Team and their spending to-date to achieve those tasks. The memo includes several areas for which the 2021 scope of work did not anticipate significant, or any, work from the consultant team and the resultant impacts on the budget that has created. Those areas are: Extended Public Utilities Commission (PUC) review of the 2021 Plan; Pending Sale of National Grid; State Policy and Legislative Changes

The extended review of the 2021 Energy Efficiency plan before the PUC – especially surrounding the Performance Incentive Mechanism (PIM), added a number of stakeholder meetings and commission workshops not anticipated when the original scope of work was drafted. Additionally, the proposed sale of National Grid to Pennsylvania Power and Light (PPL) could introduce a lot of uncertainty to the 2022 planning process, given that the plan is being developed prior to the sale and would be implemented afterwards by the new owners and it is unclear what their priorities around energy efficiency are. Moreover, Rhode Island has historically been closely connected to the work being done by National Grid in Massachusetts and has been able to leverage studies and resources across both territories and it is unclear if that will still be possible after the sale and what impacts that may have. Lastly, legislative changes brought forth by the General Assembly, such as the recently passed Act on Climate and the proposed 100% Renewable Energy Standard, pending Least Cost Procurement Extension, and other bills that may be enacted have yet to have their impacts realized. Taken together, these unforeseen changes and layers of uncertainty are creating extra works and new categories of oversight the consultant team needs to provide.

Mr. Guerard also reviewed the historical budget for the consultant team over the past six years, as well as any years in which the scope of work and/or budget was adjusted and the reasons for those shifts. Based on all of these factors, the consultant team is proposing to increase their budget for 2021 from \$631,000 to \$700,000, to cover these additional work areas with the understanding that any funds from that increase are used only if needed and any unspent funds return to the EERMC.

Mr. Teichert asked to clarify the request to the Council; is it simply to approve a budget increase or to also review additional work that would fall under this "extended service" increase?

Mr. Guerard indicated that the Office of Energy Resources (OER) reviews their monthly budgets and would be responsible for any financial oversight, and that additional work being done would be summarized at Council meetings during presentations as well as being noted in the quarterly reports provided to the Council, so no additional review is being asked of the Council.

Mr. Gill Case indicated that he was supportive of the increase.

Mr. Riccio asked what funding the Council has available and if the State fiscal year (ending June 30<sup>th</sup>) impacts this decision at all?

Mr. Guerard replied that the Council budget is based on calendar year and the energy efficiency planning process (also on the calendar year cadence) as the funds used to pay the consultants come through energy efficiency program.

Mr. Cleveland indicated that the Council had ample unallocated money to support this budget increase request if they so choose and reviewed the amount of consultant spending year-to-date.

Mr. Riccio noted that when the sale was announced the expectation was that this was a year or more away and that it wouldn't impact anything process-wise and wanted to understand what has changed that would impact the workings of the Council such that budget increase is needed?

Mr. Guerard responded that the impact of the sale is being realized because we are planning now with one utility to create a plan that may be implemented by another utility and that creates a need to understand those implications as best we can now in order to plan accordingly, especially as it relates to ability to leverage, or not, work from Massachusetts.

Mr. Riccio stated that he views the change as more of a corporate name change, rather than a process shift that would have impacts on how the Energy Efficiency plan is developed or how the Council operates. He asked if there is someone, like the Office of Energy Resources, that the Council can tap for review of this proposal and comparison to the existing consultant contract to see how it compares to what their original scope was? Or is there a way to more granularly determine what tasks more time has been spent on that were over and above expectation?

Mr. Garlick asked what are the Council might be at risk of losing if they didn't vote to increase the budget now? Is there an imperative that we act now or risk losing service?

Mr. Guerard indicated that having this increased budget approval now allows the consultant team to be responsive in real time to issues currently outside the scope that may need addressing, rather than waiting for them to arise and then seeking approval at a future Council meeting, as well as allowing him to better plan for and allocate their time to ensure all issues are covered during planning process.

Ms. Verrengia made a motion to approve the requested \$69,000 increase in funding allocated to consultant services in 2021 and to approve the proposed changes to the consultant scope of work as written by Optimal Energy. If any of this funding increase is unused by the end of 2021, the remainder shall return to the unallocated pool of the EERMC's funds for 2022. OER shall also update the contract with the EERMC to reflect these budget and scope of work changes. Mr. Garlick seconded the motion and it passed by a 5-1 roll call vote. Acting Chair Hubbard, Mr. Gill Case, Ms. Verrengia, Mr. Teichert, and Mr. Garlick voted in favor and Mr. Riccio voted in opposition to the motion.

*b) Discussion & Vote on Review Committee Recommendation for K-12 Energy Curriculum Training Proposal Selection*

Please refer to the [Review Committee Recommendation Memo](#)

Dr. Trietch summarized the Request for Proposals (RFP) review process and the recommendation memo put forward by the Council review committee.

Ms. Verrengia stated that she was very excited about the Green Building Research Institute (GBRI) proposal and the talent behind their proposal, however, their budget amount for those services was very high and that ultimately led to the Committee's desire to re-bid.

Mr. Roughan shared that he felt that GBRI submitted a better proposal but the pricing was much higher than anticipated or expected for this task, which gave him pause about moving forward.

Mr. Garlick commented that the cost for GBRI's proposal cost came in about two and a half times higher than our expectations.

Mr. Riccio asked if we could engage GBRI to negotiate a contract that meets the budget expectations rather than rebidding the entire RFP?

Dr. Trietch responded that the Council does have the right to negotiate if they so choose.

Mr. Garlick commented that there was also a hope that the Council could sharpen the proposal a bit to better address our core expectations, so that desire combined with the fact that there was not too much time pressure led the Committee to recommend the re-bid.

Ms. Verrengia noted that she was supportive of the idea to negotiate first, since worst case is we need to rebid anyway.

Mr. Roughan stated that he did feel that there is a time crunch if we want to have this ready for start of next school year, but supports a negotiation with GBRI first.

Mr. Garlick commented that if a budget of \$45,000 was made public during the question and answer portion of the bid process that he doesn't think its fair to negotiate with a larger budget, and so it should be \$45,000 or under that we authorize, otherwise we should rebid.

Mr. Teichert made a motion to recommend Office of Energy Resources staff begin contract negotiations with GBRI to determine if a scope of work can agreed upon be that fits within the Council budget of \$45,000. Should that not be possible, direct the Office of Energy Resources to update the Request for Proposals and reissue it within the next three weeks. Mr. Garlick seconded the motion. All approved by roll call vote.

## **6. Program Oversight**

*a) National Grid Presentation on the 2022 Plan Outline Memorandum*

Please refer to the [National Grid Presentation on the 2022 Plan Outline Memorandum](#)

Mr. Richards reviewed the purpose of the memo, which is to provide early insights on the Energy Efficiency plan to stakeholders and highlight key new areas of focus or areas of change from prior

plans. He stressed that this memo is not meant to be comprehensive like a full draft and does not include savings, budgets, or benefits calculations as those are not available at this early stage. Mr. Richards did note that the memo does try to incorporate the stakeholder feedback received from the Technical Working Group meetings in order to be responsive to those.

Ms. Goodman reviewed the focus areas for the Residential Sector, of which there were 6 outlined in the memo:

- For the Multifamily program: a bring your own subcontractor program; exploring more financing; potentially adjusting market segmentation to better fit existing customer groups in the sector
- For the Income-Eligible Services program: an increased focus on triple-decker buildings; creating goals for the third-party weatherization vendor to hit in supporting the Community Action Programs; a customer education campaign on thermostat temperature controls
- Deepen customer relationships and increase participation across the board
- Drive comprehensive measures by tailoring programs to technology and customer based opportunities
- Support the energy efficiency economy as it recovers from COVID-19 losses
- Leverage comprehensive evaluations from the participant and non-participant studies to better serve customers

Mr. Rivers then reviewed some of the focus areas in the Commercial and Industrial sector, including:

- For the small business program: expand weatherization and heating, ventilation and air conditioning with controls opportunities; increase emphasis on lighting with controls; focused outreach to women and minority owned businesses
- Utilize research findings commissioned from Slipstream, which include: an increased focus on non-lighting measures from the market potential study; prioritizing program changes, incentive enhancements, and training activities focused on areas of opportunity from the market potential study and non-lighting technologies; reduction of the identified barriers for these opportunities.

Mr. Kessler reviewed some additional Commercial and Industrial areas of focus, which included:

- Training & Upskilling the workforce, particularly around raising awareness of new opportunities/technologies, improved heating, ventilation and air conditioning performance, and focusing both on customers and industry professionals as well as internal sales staff as subjects of these training opportunities
- Clarifying the retro-commissioning process for customers, including adding new tuning measures to the offering, and expanding the Monitoring Based Commission system offering.



Mr. Richards then reviewed the next steps in the planning process so everyone is aware of the upcoming milestones and deadlines in that process.

Ms. Verrengia indicated that she was interested in the new training and certification options and hopes those efforts can extend to schools and local agencies - like Providence Housing - and provide training and upskilling to on-staff technicians.

Mr. Riccio noted that the State is building a lot of new schools and commissioning and retro-commissioning is a big issue with those facilities, and so making sure there are well-trained professionals to ensure these buildings are operating as expected is very important.

*b) Consultant Team Perspectives on the 2022 Plan Outline Memorandum*

Please refer to the [Consultant Team Presentation on the 2022 Plan Outline Memorandum](#)

Mr. Guerard reviewed the memo and provided some general notes about its consistency with prior versions and that it includes all key elements of the plan for review. He noted that the memo is also responsive to stakeholder comments and priorities and appropriately references several factors that will impact the benefit-cost model for 2022 – including the updated Avoided Energy Supply Costs (AESC) study and the adjustment in macroeconomic benefit calculations based on a review made by the Division of Public Utilities and Carriers (DPUC) and its consultant.

Mr. Ross then covered some expected enhancements as we move into the first draft to ensure strong stakeholder review. Those expectations cover the inclusion of numbers on cost-effectiveness and cost efficiency, budget, total savings, and net benefits - both the Rhode Island Test and the Performance Incentive Mechanism(PIM) subset of benefits - and rate and bill impacts, which is a clear Public Utilities Commission (PUC) priority.

Mr. Ross also indicated that the consultant team anticipates more specific, concrete outcome-oriented commitments rather than the many instances of “explore”, “consider”, or “research” in the memo. Mr. Ross also indicated there is an expectation of a commitment to design the 2022 plan based on the Least Cost Procurement standard of seeking all cost effective energy efficiency, going beyond just the net benefits incentivized by the PIM in order to properly justify any budget increases we may need over the 5% budget target the PUC gave as part of their ruling.

Mr. Guerard highlighted that the areas of focus and changes being presented in the Residential and Income-Eligible sectors are in line with expectations of the Council and other stakeholders, particularly around equity, program enhancements and improvements, and more cross-program collaboration. He also covered a few areas of concern, including the reduction of weatherization incentives for non-electric and gas customers and the lack of specificity in the multifamily section.

Mr. Jacobs reviewed the Commercial and Industrial sector and some of the enhancements put forward there, including a continued emphasis on increasing non-lighting measures in the portfolio, both with program enhancements and training/education. He also highlighted a large Combined Heat and Power (CHP) project that is in development that would have significant savings associated with it. Mr. Jacobs also noted the increased focus on marketing around energy management which will include demand response opportunities listed alongside energy efficiency opportunities. He also noted that the sector did not include any references to equity, despite provisions and considerations of such in other sectors – could include goals for increased spending with women and minority contractors or increasing small business and non-profit participation in the programs, for example.

Acting Chair Hubbard expressed concern about landlords passing costs on to renters for taking on energy efficiency upgrades, particularly if the upfront costs are already being mentioned as a concern by landlords, especially in triple decker units. He also inquired if non-profit renters were considered part of the Commercial and Industrial program and if so, how is the outreach being conducted to those groups?

Ms. Goodman indicated that this question may be better suited for the Equity Working Group to address and stated that she will relay this question to them.

Mr. Teichert wanted to reinforce the expectations around concrete, action-oriented language in the first draft. He noted that he would also love to see detailed budget numbers, including deltas from prior years and cost-efficiency of not only portfolios but also measures. He is also concerned about pushback on energy efficiency measures or systems coming out of COVID-19, like overrides on heating and ventilation systems for example.

## **7. Special Topic**

### *a. National Grid Presentation on Workforce Development*

Please refer to the [National Grid Presentation on Workforce Development](#)

Mr. Rose reviewed the historical investment National Grid has made in workforce development, that has traditionally hit on multiple sectors and ranges from equipment specific efforts, to whole building focus, to industry specific trainings.

Mr. Rose then outlined the 2022 approach to workforce development, which is to target only opportunities with the strongest case for driving benefits, prioritizing system benefits based on Public Utilities Commission guidance. Additionally, their workforce plan is focused on upskilling employees through trainings, rather than growing the workforce, as upskilling provides a higher certainty in forecasting expected energy savings and there is a shorter lag between this training activity and the resulting savings compared to longer-term workforce growth efforts.

Mr. Gill Case noted that we got an update last year on the number of people attending or served by the trainings and workshops and he would like to see those numbers again. In his experience in the field, he still feels that the industry is falling short in implementing and adhering to best practices for energy in building/construction.

**8. Public Comment**

None

**9. Adjournment**

Acting Chair Hubbard called for a motion to adjourn the meeting. Mr. Riccio moved to adjourn the meeting. Mr. Gill Case seconded the motion and all approved. Meeting adjourned at 4:58pm.

**Outstanding Council Member Questions Requiring a Written Response:**

None



STATE OF RHODE ISLAND

# ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

## EERMC FULL COUNCIL MEETING MINUTES

Thursday, July 29, 2021 | 3:00 - 5:00 PM

Conference Room A, 2nd Floor Department of Administration One Capitol Hill Providence, RI 02901

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**Members in attendance:** Kurt Teichert, Sue AnderBois, Karen Verrengia, Nick Ucci, Tim Roughan, Tom Magliocchetti, Joe Garlick

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Sam Ross, Craig Johnson, Joel Munoz, Adrian Caesar, Angela Li, Ben Rivers, John Tortorella, Josh Kessler, Kai Salem, Hank Webster

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-july-2021/>

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### 1. Call to Order

Mr. Teichert, filling in as acting chair for Mr. Hubbard, called the meeting to order at 3:11pm.

### 2. Approval of Council Meeting Minutes

The Council did not have a quorum so a vote on meeting minutes was not taken will be tabled until next month.

### 3. Executive Director Report

Commissioner Ucci provided updates on House Bill 6144/Senate Bill 634, which were the respective pieces of legislation extending Least Cost Procurement (LCP). These bills passed and were signed into law, thereby extending the LCP mandate through March 2028 for Energy Efficiency. He also noted that the administrative funding formula changes previously discussed – the regulatory funding being increased from 2% to 3% and the split of those funds 60% to the Office of Energy Resources (OER) and 40% to the Council – were included in the signed legislation. Commissioner Ucci also called attention to an addition in the legislation which includes an annual transfer of \$5 million dollars to the Rhode Island Infrastructure Bank (RIIB) as part of statute rather than part of the regulatory approval process alongside the establishment of a Clean Energy Fund at RIIB to support municipalities. He mentioned that OER will be coordinating with them to better understand their plans and to coordinate efforts to deliver on our collective missions supporting municipal clean energy projects.

In other legislative news, Commissioner Ucci also flagged that appliance standards – House Bill 5966/Senate Bill 339 – passed and were signed into law after numerous years of effort. As part of that legislation, OER is given power to develop rules & regulations governing appliance standards

passed and that OER has just begun the development process of those and will provide opportunities for EERMC and public comment and engagement during this process.

As a final note, Commissioner Ucci provided a brief update on EERMC Membership. Mr. Teichert was appointed to a new seat, Energy Regulation and Law, on the Council and Sue AnderBois was appointed to the Environmental seat. He did mention that still leaves vacancies and reappointments that need to be made and hopes that those will move forward if there is a Fall session, and if not, in the subsequent 2022 session.

#### **4. Acting Chairperson Report**

Mr. Teichert, serving as acting chair in place of Mr. Hubbard for this meeting, noted that the Council would not be able to take votes at today's meeting because they lack a quorum, but that they will review the items scheduled for a vote today and address those at the next meeting.

He then reviewed the agenda for today's meeting, including some recent updates to the 2022 Energy Efficiency Plan meeting materials from both National Grid and the Consultant team, informing everyone that the EERMC website is accurate but for anyone who may have downloaded materials early please check your versions.

Lastly, Mr. Teichert provided an update on the progress of the Equity Working Group. To date they have had three meetings, the first providing some level setting and an overview of energy efficiency in Rhode Island, the second reviewing program marketing and outreach, and the third covering program data and metrics. There are several more planned to finalize that group's recommendations and those will be shared in late August, and ideally incorporated into the final draft of National Grid's Energy Efficiency Plan.

#### **5. Council Business**

##### *a) 2021 Legislative Session Discussion*

No Council members had any follow up questions or concerns on the legislative updates given by Commissioner Ucci during his Executive Director report.

##### *b) Discussion & Vote on Updated K-12 Energy Curriculum Training Proposal*

Please refer to the [Technical Proposal](#), the [Technical Proposal Attachments](#), and the [Cost Proposal](#).

Dr. Trietch provided an update on the conversation with Green Building Research Institute (GBRI) on their original proposal for the K-12 training Request for Proposals (RFP). It was communicated to them that the original proposal was well received but over budget and the Office

of Energy Resources (OER) was asked to negotiate and see if they could modify the scope of work that is still responsive to the tasks in the RFP but would also meet the Council's budget. GBRI was amenable to providing an updated proposal and what has been put forward is within the budget set by the Council and provides the same number of trainings as originally asked for (in person or virtual) but cuts back on the bells and whistles from the original.

Mr. Teichert asked if this updated proposal still achieves the core tasks originally put forward. Dr. Trietch indicated that it did still meet those core objectives.

## **6. Program Oversight**

### *a) National Grid Presentation on Request for Approval of 2021 Overspend in Energy Efficiency & Consultant Team Response*

Please refer to the [National Grid Overspend Presentation](#) and the [Consultant Team Recommendation Memo on Overspend Request](#)

Ms. Li provided an update on the budget spending in the EnergyWise Market Rate program which is projected to exceed the planned budget for 2021. She indicated this budget overage is driven by several factors, including increased customer interest, pipeline issues from the work stoppage in 2020 as a response to COVID-19, and the increased incentive levels offered as a means to drive business coming out of the COVID-19 work stoppage. These factors taken together have led to the growth in spending in this program in 2021, particularly on weatherization measures.

Ms. Li stated that the gas side of the program was at 96% budget spent and the electric program was at 68% of budget spent through June. Their projections for gas spending could go as high as 200% of budget and 135% of budget on the electric side for 2021. She noted that the overall portfolio is projecting at 117% of budget spend for the year. It is because of that projection that they are seeking approval from the EERMC on the projected overspend in this area, given the regulatory requirement to notify and seek vote of approval from the EERMC if spending exceeds 110% of the budget.

Ms. Li also indicated that National Grid has already started taking corrective action to reduce the budgetary pressure in the short term, with incentive levels being reduced to 50% (from 75%) for weatherization as of June to better align resources with demand moving forward. She also made clear that National Grid will be tracking conversion rates before/after this incentive level change and that this information may influence the incentive offering for 2022.

To put this request in context, Ms. Li indicated that if the overspend request is not approved there is the potential for program stoppage, contractors being deployed to other states and/or furloughs and the possibility of a 2022 slowdown depending on the size of the workforce remaining/available in Rhode Island at that time.

Commissioner Ucci asked if the 50% incentive will remain at the same level if the overspend is supported/approved?

Ms. Li indicated that yes, the incentive is likely to stay at that 50% level the rest of this year given the budgetary spending already incurred, but it has generated a slowdown in the pipeline since being introduced. She also noted that National Grid is likely to start out next year with an incentive level somewhere between 50-75%.

Commissioner Ucci recommended trying to keep incentive levels as close to 75% as possible, as that does make a difference in the customer willingness to act and measure affordability.

Mr. Teichert commented that the incentive is the key variable the Company has control over that impacts their costs and so given size of program its likely hard to make quick changes. He then asked what the implications of not getting a vote today would be?

Ms. Li indicated that National Grid would need a decision before the next meeting, but not sure how getting a quorum may work timing wise for the Council.

Dr. Trietch noted that she could ask the Council about having a special meeting and/or moving up the August meeting to potentially accommodate this vote.

Ms. Li noted that the program pipeline still contains lots of 100% incentive customers that need to be served - likely through September - and then 75% incentive customers in the pipeline after that, so the 50% incentive customers probably won't be coming on the books until year end or into next year. Importantly though, Ms. Li did confirm that if the future incentive goes up to 75% before the 50% customers are served National Grid can and will go back to them and offer the higher incentive.

Mr. Ross provided the consultant team's thoughts on the overspend request, indicating they feel it is advisable for the Council to approve the overspend in the gas portfolio for a few reasons:

1. Increased participation and customer interest that should be served
2. Strong interest remains in the offering despite corrective action on the incentive level
3. Good evidence that this spending supports incremental savings achievement

Mr. Ross also noted that procedurally, the overspend language includes the Council approval at 110% budget overspend and Public Utilities Commission (PUC) approval at 115% budget overspend and so the consultant team recommends Council approval up to 115% budget spending given the uncertainty around spending above those levels. Courtesy notice should be provided to PUC as well, which the Company has recently done. He also suggested that the Company should provide updates at each monthly Council meeting going forward on spending and progress in this program.

Mr. Johnson noted for the Council that the memo the consultant team wrote goes into more detail around the procedural and logistical components of approving this request for those interested, but overall the consultant team is supportive of approval for all the reasons Mr. Ross outlined.

Mr. Teichert asked why their recommendation was for approval at 115% level as opposed to the 117% projected spend level?

Mr. Ross responded that the text of annual plan has a 115% budget spend notification threshold to the PUC and it is unclear, without PUC interpretation in writing, how they view that approval process. Therefore because approval of 117% spending from the EERMC has the potential to contradict the 115% approval threshold for the PUC, they recommend not exceeding that level.

Ms. AnderBois asked how long would the PUC take to review and/or approve this request?

Mr. Ross indicated that once the Council has a quorum and votes, it is prudent to seek clarity from the PUC on their interpretation of the approval process at that time. National Grid legal counsel has their interpretation based on the video recording of the 2021 Energy Efficiency Plan hearing, but we still don't have the written order outlining the PUC position, hence the consultant team's prudence here regarding their recommendation.

*b) Council Discussion & Vote on National Grid's Requested Approval for 2021 Overspend in Energy Efficiency*

The Council did not have a quorum at this time and this vote was tabled until the August meeting.

*c) National Grid Presentation on the First Draft 2022 Energy Efficiency Program Plan*

Please refer to the National Grid [Presentation on the First Draft 2022 Energy Efficiency Plan](#)

Mr. Tortorella summarized the plan at a high level and then noted key areas of focus for each sector. He also noted that next version of the plan, which will be the final draft, is five weeks away from being circulated and that there will be Evaluation, Measurement and Verification (EM&V) updates coming next month that may impact savings values in that version. Mr. Tortorella also indicated that the analysis on the rate and bill impacts will be incorporated in the final draft.

Mr. Tortorella reviewed the savings and budget numbers for the 2022 Plan at a high level, noting the key differentiation between 2022 numbers from the Three-Year Plan compliance filing and 2022 annual plan first draft are driven by measure life reductions in the Commercial and Industrial (C&I) sector for lighting in the electric portfolio and Energy Star HVAC program in the gas portfolio. He also noted that the updated gas sales forecast is built into the plan already, but the electric sales forecast won't be ready for the final draft and will be incorporated into the forecast update that happens every December.

Lastly, Mr. Tortorella noted that the 2022 annual plan has 5% year over year budget growth from 2021, which is in line with Public Utilities Commission (PUC) guidance. The transformation of



the lighting market continues to affect measure mix and measure lives in the portfolio, which impacts both annual and lifetime savings numbers as well as the cost to achieve metrics. The Demand Response program is showing potential for strong growth through 2021 and into 2022.

Mr. Rivers reviewed the key focus areas for the Commercial and Industrial (C&I) sector in the 2022 plan. He also noted that, as previously mentioned, claimable savings in C&I lighting continue to decline as evaluations indicate lower measure lives as that market follows the residential market in transforming to fully Light-Emitting Diode (LED) technology.

Mr. Magliocchetti commented that he feels like this is a moment where focus on ventilation is so high, especially in businesses and other large facilities, that it provides an opportunity to capitalize on that interest and increase potential achievement of the programs through marketing and engagement by the Company.

Ms. AnderBois noted that there is likely an opportunity to coordinate energy efficiency programming with the vast amount of bond-related upgrades for municipal and school facilities that have been voted on recently and will be built over the next two to five years as well.

Ms. Li then reviewed the key focus areas for the Residential sector, including marketing and outreach that will be particularly focused on the multifamily program for 2022.

Mr. Teichert asked that, with the emphasis on and customer interest in weatherization does the program account for savings of right-sizing of heating, ventilation, and air conditioning (HVAC) systems as a result of weatherization work necessitating smaller equipment?

Ms. Li responded that yes, on the heating side National Grid is able to claim those savings, but not for cooling.

Mr. Tortorella then highlighted a few key changes to the Rhode Island Test in the 2022 Plan, which includes both the use of the 2021 Avoided Energy Supply Cost (AESC) study results for the first time and the shift from macroeconomic benefits being quantitative to being qualitative. Attachment 4 of the plan provides an element by element breakdown on how the different benefits are treated by the Rhode Island Test to allow for clarity and transparency given these adjustments.

*d) Council Consultant Team Perspectives on the First Draft 2022 Energy Efficiency Program Plan*

Please refer to the [Consultant Team Presentation on the First Draft 2022 Energy Efficiency Plan](#)

Mr. Ross began with an overview on the entire planning process leading into this first draft. He also noted that while they have reviewed the First Draft of the Plan, the Technical Reference Manual (TRM) has not been received by the consultant team yet, but once received they will have

a week to review and then they will provide updates, as appropriate, at the August Council meeting.

Mr. Ross then reviewed the plan through the lens of the five Council priorities that were put forward earlier this year and what concerns they feel should be addressed in the final draft.

1. Priority #1 – Align with Three-Year Plan
  - a. First Draft had no reference to the “high scenario” in the plan text and no attempt to document why goals fall short.
2. Priority #2 – Comply with Least Cost Procurement (LCP) Standards
  - a. Council asked for key metrics to be tracked and reported and the First Draft includes Greenhouse Gas Emissions and renter participation, but would be valuable to have a central list of all metrics, how they are calculated, and when they will be reported.
3. Priority #3 – Incorporate Stakeholder Input
  - a. First Draft documents priorities put forward by Technical Working Group members but does not clearly reflect those in specific planned actions.
4. Priority #4 – Support Equity and Access
  - a. While equity related discussions have been taking place and are mentioned in different areas of the plan, no clear list of tasks for quarterly reporting has been developed and this should be included in the final draft.
5. Priority #5 – Ensure Effective and Efficient Development and Review Process
  - a. National Grid providing a high level update on feedback received and responses to redlines in mid-August would ensure a checkpoint for all stakeholders before the final draft is released and would allow for additional discussion at the next Council meeting before votes need to be taken in September.

Mr. Johnson provided some additional thoughts based on comments made on the Plan Outline Memorandum that were not addressed in the First Draft, including the need for rate and bill impacts to be included and analyzed; increased focus on outcome-oriented language; a need to design the plan based on LCP standards and justify deviations from the “high scenario” rather than simply increasing the budget 5%.

He also highlighted that the budget changes in the plan year over year, with an increase in spending on the electric Commercial and Industrial sector, aligns with the the Company’s opportunity to earn a performance incentive from that sector and we all need to make sure this is not done at the expense of other sectors.

Commissioner Ucci reminded Council members about the opportunity for a workshop with the Public Utilities Commission on energy efficiency topics prior to the plan filing where they can discuss policy questions and noted that Office of Energy Resources staff are working to coordinate that meeting and develop a potential agenda, which can potentially be discussed at the August meeting.

## 7. Public Comment

Kai Salem, Green Energy Consumers Alliance:

Ms. Salem indicated that she agreed with the consultant team that the 5% year over year budget increase suggested by the Public Utilities Commission (PUC) is not a hard cap, and that Green Energy Consumers Alliance (GECA) also would prefer ground up approach to developing savings goals and budgets which the Company then justifies. She also emphasized that the gas program overspend shows there is significant opportunity out there to take advantage of, especially for weatherization and heating and cooling measures and that GECA views these as critical elements to meeting our climate heating sector goals. We should be encouraging and supporting all weatherization efforts to ensure that each building is as energy efficient as possible so that regardless of heating technology all buildings are prepared for a decarbonized future. Ms. Salem concluded by noting that the Company should focus on the equity components of the plan and the working group recommendations for the final draft.

Hank Webster, Acadia Center:

Mr. Webster feels there is an opportunity to convert more schools to electric based heat that the Company should look to take advantage of, which is especially important as these investments will start to come quickly in response to federal stimulus dollars. He also advocated for more alignment of the Energy Efficiency Plan with targets and the “high scenario” and pushed the Company to go beyond the 5% spend increase; the gas overspend is an indicator of this demand. He complimented the Company for great marketing shifts during the pandemic, which shows the value of innovation and feels there are opportunities to reach new/different customers through creative marketing and outreach. Lastly, Mr. Webster noted that Acadia Center would like to re-raise the issue of electrification for delivered fuels customers with the PUC and other stakeholders, especially given the act on climate mandate.

Joel Munoz, Division of Public Utilities and Carriers:

Mr. Munoz indicated that his comments were specifically related to the overspend request from National Grid. He indicated that the Division supports this spending because it is a good investment of money and they don't want to turn away interested customers who may not come back next year. He did note that their support was conditional on National Grid making the PUC aware of this potential overspend immediately and involving them in these conversations and approval processes right away.

## 8. Adjournment

Mr. Teichert adjourned the meeting at 5:10pm

### **Outstanding Council Member Questions Requiring a Written Response:**

None



STATE OF RHODE ISLAND  
**ENERGY EFFICIENCY &  
RESOURCE MANAGEMENT COUNCIL**

## **EERMC FULL COUNCIL MEETING MINUTES**

**Thursday, August 19, 2021 | 3:00 - 5:00 PM**

This meeting will be held in-person in:  
Conference Room A, 2nd Floor  
Department of Administration  
One Capitol Hill Providence, RI 02908

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**Members in attendance:** Anthony Hubbard, Karen Verrengia, Nick Ucci, Peter Gill Case, Joe Garlick, Kurt Teichert, Tim Roughan, Sue AnderBois

**Others Present:** Nathan Cleveland, Dr. Becca Trietch, Craig Johnson, Adrian Caesar, Rachel Sholly, Joel Munoz, Hank Webster, Josh Kessler, Mark Kravatz

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-august-2021/>

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### **1. Call to Order**

Acting Chair Hubbard called the meeting to order at 3:12pm.

### **2. Approval of Council Meeting Minutes**

Acting Chair Hubbard asked for a motion to approve the June Meeting minutes. Mr. Garlick made a motion to approve the minutes from the June meeting. Mr. Teichert seconded and all approved, with Ms. AnderBois abstaining.

Acting Chair Hubbard asked for a motion to approve the July Meeting minutes. Mr. Garlick made a motion to approve the minutes from the June meeting. Mr. Teichert seconded and all approved.

### **3. Executive Director Report**

Commissioner Ucci notified everyone that the Governor has recently implemented a mask mandate for all State buildings, for all persons entering those facilities regardless of vaccination status. He highlighted a contract position that the Office of Energy Resources (OER) is hiring for to support its Lead by Example work with data analysis and program management. He asked that Council members circulate that posting to their networks as appropriate and indicated that Mr. Cleveland would circulate the posting information following the meeting to the Council.

### **4. Acting Chairperson Report**

Acting Chair Hubbard reviewed the agenda for today's meeting, including highlighting the votes taking place at today's meeting, and noted the materials that will not be discussed during the course of today's meeting but were made available for Council review.

He also informed the Council that a calendar invitation from Mr. Cleveland will be forthcoming for a workshop with the Public Utilities Commission on the afternoon of 9/13. Acting Chair Hubbard indicated that all Council members will have the opportunity for a one on one conversation with the Consultant team in advance of that workshop and encouraged everyone to contact Mike Guerard to schedule those.

## **5. Council Business**

### *a) Review & Vote on Updated K-12 Energy Curriculum Training Proposal*

Please refer to the [updated K-12 Technical Proposal from GBRI](#)

Dr. Trietch provided a summary of the RFP submission and review process, the subsequent request for negotiation with the vendor on budgetary and scope reasons, and represented that the updated proposal submitted meets all core needs and the education subgroup is supportive of this updated proposal. She noted that if approved, the Office of Energy Resources (OER) will begin contract negotiations with selected vendor.

Mr. Garlick made a motion to direct OER to work with the Council's attorney to establish a contract between the EERMC and GBRI with a scope of work based on the updated GBRI proposal and a budget limit not to exceed \$45,000.00. Mr. Gill Case seconded the motion and all approved.

## **6. Program Oversight**

### *a) National Grid & Council Consultant Team Presentation on Request for Support of 2021 Overspend in Energy Efficiency & Consultant Team Response*

Please refer to the [National Grid Presentation on the 2021 Overspend Request](#)

Ms. Li reviewed the reasons leading to National Grid asking for overspend support, indicating that they are projecting 110% spend in 2021 for the portfolio based on the expected weatherization work in the pipeline. Because of the 10% expected overspend, there is a requirement to seek support from the Division of Public Utilities and Carriers (DPUC) and the EERMC. Ms. Li noted that the program was at 96% of budget spend through June with a robust pipeline still in place and that incentives have been reduced from 75% to 50% for now to try and curb spending/demand in 2021.

Mr. Gill Case asked what pipeline of work is triggering the overspending?

Ms. Li indicated that the Company was experiencing significant volume of weatherization work (inclusive of insulation, air sealing, and duct sealing) in the gas portfolio, in addition to increased adoption of and thermostats and water savings measures. Because the gas budget is smaller than the electric budget, that's why the overspend is here and not in electric, even though similar work taking place in those programs as well.

Ms. Li also informed the Council that the Company will be notifying the Public Utilities Commission (PUC) of this potential overspend, even though they are not projecting their expenditures will reach that higher notification threshold.

*b) Council Discussion & Vote on National Grid's Requested Support for 2021 Overspend in Energy Efficiency*

Mr. Johnson indicated that the consultant team recommends support of overspend request with a couple of conditions, those being immediate PUC notification and updates at future Council meetings this year on this program's progress and spending.

Mr. Gill Case made a motion to support National Grid's requested overspend at an amount of up to 15 % above the PUC-approved gas portfolio budget to support weatherization measure installation and delivery through the EnergyWise Single Family gas program, contingent on the following: 1. The Company provides ongoing updates on their gas portfolio spend, participant, and savings forecasts at all future 2021 EERMC council meetings; 2. The Company provides the PUC with a courtesy notice of the overspend within 30 days of this vote. Mr. Garlick seconded the motion and all approved, with Ms. Verrengia abstaining.

*c) National Grid & Council Consultant Team Presentation on 2021 Energy Efficiency Quarter 2 Results*

Please refer to the [presentation on the Quarter 2 Results](#)

Mr. Johnson reviewed the performance of electric and gas portfolios at a high level. For the electric portfolio, the market rate and commercial & industrial (C&I) sectors are doing alright, but the income eligible sector is still lagging behind other programs despite improving on 2020 performance to date. All together the electrics programs are on par with the most recent two years and projected to come in at goal. For the gas portfolio, the commercial & industrial and residential sectors are doing very well, whereas the income eligible sector is behind the past few years. The portfolio as a whole is ahead of pace based on that strong residential and C&I performance.

Mr. Johnson also highlighted a few areas of significant concern, including that the income eligible multi-family gas sector has achieved almost zero savings through mid-year. The Company is projecting 75% achievement by year end, but the pipeline and achievement rate will need to be much stronger to reach even that level, which is still below goal.

Mr. Johnson also noted that while the small business sector is performing well overall 94% of savings coming from lighting still, which will make continued success in coming years more difficult if the Company cannot begin achieving more non-lighting savings.

Lastly, he noted that the Large C&I retrofit program is lagging in savings achievement compared to prior years, which given its size relative to the rest of the portfolio is contributing to the entire sector projecting to be below goal for the year.

Ms. Li and Mr. Kessler presented some quarter two highlights from the residential and commercial and industrial sectors, respectively.

Mr. Johnson then review the commitment tracker covering all of the Company's commitments as part of the 2021 energy efficiency plan. He noted that to date, 8 are done, 54 are in progress and on track, and that 26 are not started and/or not on track, though he felt many are in progress but need to be updated in the tracker and requested the Company make these updates.

Mr. Teichert asked about the projects that are "not started", does that mean they are not on track at all or were they expected to start later in the year and thus could be considered on track?

Mr. Kessler indicated that of those currently listed as not started, most are scheduled to begin in quarter three and that a few need to be updated so that they are being reported appropriately.

Mr. Gill Case commented that this was an interesting way to approach a report card for tracking commitments and would be interested in seeing more like this in the future. He also noted that seeing a big black "X" to indicate not started is a little scary given the reality that most are in fact on track.

Mr. Roughan asked if this data could break out not on track and not started into two categories to make clear things that shouldn't have started yet versus things that are really not in good shape.

Ms. AnderBois asked if the Company was working with associations and other trade groups, or are these initiatives more one-of, single contact efforts? She indicated that she has relationships with some of these trade groups and would be happy to do deep dive and plug those groups in to this work.

Mr. Kessler indicated the Company was interested in working to build relationships in the space, leveraging vendors and trying to build up their capacity in any way possible.

d) *National Grid & Council Consultant Team Presentation on the Updates to the 2022 Benefit-Cost Model*

Please refer to [presentation on Benefit-Cost Model Updates](#)

Mr. Johnson provided an overview of the evaluation, measurement and verification (EM&V) process and the parties involved providing the oversight and analysis that leads to the evaluation results that impact savings, measure lives, and other program elements. He noted that these studies also influence the values that go into the Technical Reference Manual (TRM) and then the Benefit-Cost Model, ultimately leading to what shows up in the plan that the Council votes on.

Mr. Kessler highlighted the largest impacts of these studies, particularly affecting lighting measures, which included in service rates and measure life reductions (e.g. how long the Company can claim savings for a measure). This is a result of the long anticipated market transformation of the lighting market.

Mr. Teichert asked for clarification on if measure life is for how long the company can claim savings and not how long the light bulb will work for. Mr Johnson confirmed that this was accurate.

Ms. AnderBois asked why did screw-in measures decreased? Are people unscrewing them?

Ms. Li indicated that this could mean that they weren't installed, that people were buying in bulk but not installing all the purchased bulbs, or other factord that can impact this number.

Ms. Li than highlighted some notable adjustments in the BC Model for the 2022 plan, which included: removing less efficient gas boilers from all programs; savings reductions for storage water heaters, indirect water heaters, and lifetime savings from gas furnaces; showerheads and thermostatic shut off valves had measure lives double.

Also important to note is that for the residential program in 2022 the retail (upstream) lighting program is over, and direct install LEDs now have measure life of 1 year (e.g. 2022 will be the final year).

Ms. Li concluded by discussing the changes in the plan as a result of the 2021 Avoided Energy Supply Cost (AESC) study, which will replace the 2018 version that has been used in the most recent few plans. The updated values from the 2021 AESC study data leads to a net result of overall reduction in savings from energy efficiency. She also noted that in the 2022 plan the Company, due to feedback from the DPUC and out of an abundance of caution, removed the macroeconomic benefits from the core BC Model. Instead they will be presenting one calculation without these benefits included and one with them included for comparisons sake, and that this was done to avoid potential double counting of benefits.

e) *National Grid Update on the 2022 Energy Efficiency Program Plan*

Please refer to the [National Grid Update Presentation on the 2022 Energy Efficiency Plan](#)

Ms. Li reviewed the 2022 Energy Efficiency plan development process. She noted that the Company heard consensus from stakeholders on the importance of an equity focus and workforce development. Ms. Li also noted that the Equity Working Group (EWG) finishes next week and those recommendations will be presented in final draft and National Grid will address how or how not those recommendations will be implemented

Ms. Li than provided an interim update on the energy efficiency plan between the first and final drafts, noting that the Company received lots of comments and that a more detailed response on



how those will be provided at next week's technical working group meeting. She also reiterated the importance of equity and the forthcoming recommendations for the EWG.

Ms. Li reviewed the savings and budget numbers for the 2022 plan, justify the proposed savings on the contention that the Company used the illustrative budgets from the Three Year Plan compliance filing as a starting point and didn't propose anything beyond that as they weren't seeing savings available at a low cost. She then reviewed a small sampling of comments received on the plan and the Company's response to those comments.

Ms. Li then reviewed some overall budget trends, which show steady growth of budgets (COVID excepted) over the last few years and the respective impact that has on the System Benefit Charge (SBC). For example, she noted that the electric SBC has 15% compound growth rate from 2007-2020, but a 45% increase from 2021 to 2022. She commented that with lighting savings going away and claimable savings from C&I lighting decreasing through evaluation results, this has lead to budget increases and increased costs to achieve savings. Comparatively, she indicated that the Gas SBC had a compound growth rate of 18% from 2007-2020 but growth is 50% from 2021 to 2022.

Ms. Li closed by reviewing the bill impact models, with the high level takeaway being that customers who participate see a bill decrease but that average customers see a slight bill increase as a result of energy efficiency, most of that increase is simply the impact of the SBC in year one.

Mr. Teichert noted the importance in participating in programs seems evident and asked if the Company's proposed savings goals based off the high or the low scenario?

Ms. Li responded that their numbers are from the compliance filing on the three year plan with the PUC, which equates to the the base scenario.

Mr. Teichert indicated the logical disconnect between not enough participants, leading to not enough savings, leading to costs for all of them going up – and asked why? He recognized there are some budgetary and other concerns but would be helpful to have a better sense of the numbers in the high scenario to see what we are leaving on the table.

Mr. Gill Case referenced the income eligible graph from page 4 of the consultant team's memo, which breaks down gap between targets and 2022 planned savings numbers based on end use. He noted that we don't know what we are leaving on the table, and the most disappointing thing is that the savings targets are low and most stakeholders had the same concern about savings achievement levels. His concern is that this isn't going to get us where we want to be with just a few more weeks of work and commented that the SBC is a fraction of the rate paid by ratepayers and it needs to be viewed holistically, particularly given the downward pressure that energy efficiency can put on bills. He doesn't feel its appropriate to focus so much on just SBC impacts given the need to get more savings and the importance of achieving those in the broader context.

Acting Chair Hubbard asked if the PUC budget cap influenced any of this planning on budget?

Mr. Johnson indicated that the Company said specifically, multiple times, that they used the PUC recommendation of 5% budget growth for 2022 and 2023 in the Three Year Plan compliance filing as a budget limit and a starting point for the development of the 2022 annual plan. Conversely, the consultant team doesn't view those illustrative budgets as a cap but rather guidance given during challenging economic times that have improved. He noted that it would be useful to all stakeholders to have a sense of what the plan would be absent the budget growth guidance given by the PUC and that everyone had expected to see what that would look like and engage with the Company on that analysis.

Mr. Roughan asked if the position was that there should be more savings from the plan with only 5% growth?

Mr. Teichert responded that the challenge is that budget limitation gets reflected back as a savings limitation, and stakeholders don't have enough information on the efficiency of savings delivery to know what the delta should be given the 5% cap. Is this forcing more efficient delivery or saying "we just can't save as much" from the Company? He is hoping to probe this using the base scenario and the high scenario in the Three Year Plan as a way to understand how we push savings achievement forward and send a signal that this is a place for growth, hiring, business building and savings achievement and doesn't feel we are sending that signal with this plan as proposed.

Mr. Johnson added that absent that bottom up analysis to determine all cost-effective savings it is hard to see where we could be improving.

Mr. Roughan asked how do we get to that analysis and Ms. Li commented that marginal savings achievement over the proposed plan would come at a higher cost.

Commissioner Ucci responded that is the Company's interpretation, and one that not necessarily everyone else shares, and absent additional information we are left taking what you've presented as optimal and that makes it very hard to determine becoming a signatory. He further noted that the PUC approved the Three Year Plan, which is non-binding, and so we can always go above that with a proper justification, which is what we are trying to get.

Mr. Kessler noted the uncertainty in the high scenario, around adoption rates, incentive levels, and other barriers like internal capacity, workforce constraints etc.

Commissioner Ucci responded that those constraints are real and we grapple with them every year, but what Mr. Johnson pointed out is the right way to frame this - go bottom up and what would the plan look like absent any comments on budgets from PUC?

Ms. AnderBois commented that the Act on Climate bill signed into law commits us to this aggressive carbon reduction goal, which is based on a deep reliance on energy efficiency and so if we limit to 5% are we shooting ourselves in the foot by not bundling this together and going deeper?

Mr. Gill Case stated that as things stand now he wouldn't support this, and he felt that in the Three Year Planning process, year 1 was a hit relative to the Targets but that years 2 and 3 would

see growth and development for more aggressive achievement, concluding that this isn't good enough for him to support at this time, and don't feel our constituents would be happy either.

## **7. Public Comment**

Mark Kravatz, Habitat for Humanity, Providence:

Mr. Kravatz wanted to publicly recognize and celebrate Dr. Trietch for her years of dedicated public service and wish her well in her future career pursuits. He also mentioned that Habitat Providence has created a home performance training institute in Rhode Island for energy efficiency, hazard mitigation, and other similar work that is now open.

Hank Webster, Acadia Center:

Mr. Webster also publicly thanked Dr. Trietch and praise her for her tireless public service and commitment to Rhode Island's efficiency and energy programs.

## **8. Adjournment**

Acting Chair Hubbard called for a motion to adjourn the meeting. Mr. Garlick moved to adjourn the meeting. Mr. Gill Case seconded the motion and all approved. Meeting adjourned at 4:48pm.

**Outstanding Council Member Questions Requiring a Written Response:**

None



STATE OF RHODE ISLAND  
**ENERGY EFFICIENCY &  
RESOURCE MANAGEMENT COUNCIL**

## **EERMC FULL COUNCIL MEETING MINUTES**

**Thursday, September 16, 2021 | 3:00 - 5:00 PM**

Conference Room A, 2nd Floor Department of Administration One Capitol Hill Providence, RI 02908

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**Members in attendance:** Tim Roughan, Commissioner Nicholas Ucci, Joe Garlick, Karen Verrengia, Chair Anthony Hubbard, Kurt Teichert, Peter Gill Case

**Others Present:** Nathan Cleveland, Dr. Carrie Gill, Chris Porter, Sam Ross, Adrian Caesar, Rachel Sholly, Joel Munoz, Angela Li, Hank Webster

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-special-meeting-september-2021/>

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### **1. Call to Order**

Acting Chair Hubbard called the meeting to order at 3:01pm.

### **2. Executive Director Report**

Commissioner Ucci updated council members that the proposed technical session with the Public Utilities Commission has been postponed to early 2022 to allow for the present additional EERMC meeting. Commissioner Ucci also noted two open positions for which OER is hiring.

### **3. Acting Chairperson Report**

Acting Chair Hubbard framed the objective of the meeting to discuss National Grid's 2022 Energy Efficiency Annual Plan (henceforth, "2022 Plan"). Acting Chair Hubbard encouraged all council members to join the discussion and reminded council members that they will be expected to vote on the 2022 Plan at the EERMC meeting on September 23. He then directed attendees who would like to make public comment to sign up.

### **4. Program Oversight**

a) *2022 Energy Efficiency Annual Plan Final Draft review and discussion*

Please refer to the Consultant Team [Presentation on the 2022 Energy Efficiency Plan Final Draft](#)

Mr. Ross presented the Consultant Team's analysis of the 2022 Plan, which summarized the final draft with a focus on areas flagged for improvement from the first draft. In his presentation, Mr. Ross reminded council members about the 2022 Plan development process; covered considerations of all savings, savings trends, and responsiveness to comments; and discussed voting options for September 23.

Acting Chair Hubbard asked about the 5% budget constraint and what the PUC order implied for the 2022 budget. Mr. Ross explained his understanding of the order and recounted his memory of Chair Gerwatowski's comment at the EERMC retreat that suggested a larger budget may be proposed if it is justified.

Mr. Teichert asked how the EERMC could clarify the order. Commissioner Ucci suggested that the PUC will clarify as part of the normal filing process, and the EERMC will need to take a position based on National Grid's current proposal, due to time constraints.

Mr. Teichert asked clarifying questions about the energy savings goals proposed in the 2022 Plan in relation to the energy savings estimated in the [Market Potential Study](#).

Mr. Porter recounted the targets docket and ensuing Three-Year Plan development process, specifically noting that the Commission rejected the originally proposed Three-Year Plan and ordered National Grid to resubmit a compliance filing subject to a budget growth limitation. Mr. Porter asked how the EERMC is interpreting the bindingness of the compliance filing targets. Mr. Ross declined to speak for the EERMC. No council members commented.

Mr. Porter asked about the impacts of evaluation measurement and verification (EM&V) on previously filed targets. Mr. Ross explained the consultants analysis and that the consultants do not recommend negative savings adjustments from EM&V as being a justifiable downward adjustment to the filed targets.

Mr. Gill Case requested Mr. Ross provide additional detail on 'rate and bill impacts review opportunity' and 'concerns with RI Growers CHP project'. Mr. Ross provided additional description of these items in the context of 'responsiveness to comments'. Specifically, Mr. Ross noted a meeting between the Consultant Team and National Grid to discuss specific questions and concerns about the bill impacts model to occur on 9/20.

Mr. Ross then summarized the combined heat and power (CHP) project and its development timeline. Mr. Ross noted a concern about uncertainty over contingency plans in the event the project is either not approved or is not completed in the planned timeframe, and specifically described an assessment of the equivalent level of customers that could otherwise be supported with the funding allocated to the CHP Project. Mr. Gill Case followed up with a question about the current status of the farm building and infrastructure. Mr. Roughan clarified that the building and infrastructure has yet to be built. Mr. Porter clarified that new gas supply infrastructure is not needed as part of the project.

Mr. Garlick asked whether there was an existing waiting list of alternative projects. Mr. Ross noted the allusion to a contingency plan suggests there are other customers who could benefit from this funding. Mr. Porter described the LCP law's directive to incentivize CHP projects and National Grid's perspective is that the proposed project conforms to the law and therefore is

justified for an incentive in accordance with the law. Mr. Porter also noted the process of review of any incentive that exceeds a threshold. Mr. Porter clarified that no other CHP projects are in the pipeline ready for funding. Mr. Porter said that if not for the CHP project then National Grid would plan to do other electric C&I energy efficiency projects, but that those projects are likely to produce less savings than the one CHP project. In other words, if the CHP project were not to move forward, then expected energy savings would decrease. Mr. Roughan commented on the oversight process for incentives that exceed a threshold, provided some history on past CHP projects, and opined on the benefits of promoting CHP projects. Mr. Porter further noted that National Grid is carrying the project risk within the current performance incentive mechanism (PIM) structure.

Mr. Teichert summarized his understanding of comments from Mr. Roughan and Mr. Porter, namely that there is greater timing risk to the company than to rate payers. Mr. Ross clarified that unspent collections are actually a cost to ratepayers (though Mr. Porter noted that those unspent funds accrue interest and Mr. Roughan asked a clarifying question). Mr. Ross explained the difference between the time value of money for customers versus the value of accrued interest. Mr. Ross also questioned the comparison of benefits between the one CHP project and the suite of alternative projects that would otherwise move forward (i.e. because the CHP project is less cost effective than the aggregate cost effectiveness of the remainder of projects in that program and sector).

Mr. Porter asked what the EERMC is asking the company to do (e.g. not propose this project).

Mr. Ross clarified that they do not suggest not proposing the CHP project but rather that the company provide information about the alternative projects that would be pursued if the CHP project does not move forward. Mr. Roughan and Mr. Porter pointed to the Market Potential Study and subsequent Three Year Plan and its associated compliance filing as being that analysis.

Mr. Gill Case noted his dissatisfaction with the process of developing the three-year plan, and stated concern over the potential projects that are being left on the table. Mr. Gill Case suggested he would prefer a 'both and' approach to the 2022 EE programs. Mr. Porter appreciates Mr. Gill Case's frustration of the process and noted the company did their best to defend the three-year plan but ultimately must comply with their understanding of commission orders, including the budget growth limitation. Mr. Gill Case appreciates Mr. Porter's remarks, summarized each organization's missions, and noted that he doesn't feel like the transparency has been sufficient and the process hasn't been effective or timely and he's not seeing what he wants to see.

Mr. Roughan discussed his experience defending previous filings with the commission and put the energy efficiency Three Year Plan filing in the context of other filings requesting additional funding, and posited that the commission may be looking at energy efficiency as it interacts with everything else in their purview. Mr. Porter reiterated points and noted the company is in a difficult position to relitigate when they feel they got clear direction on an acceptable approach.

Commissioner Ucci asked Mr. Munoz from the Division of Public Utilities and Carriers to provide a status update on their review and positioning regarding the CHP project. Mr. Munoz stated that by 9/24 the Division will either support, oppose, or say nothing, and that they are waiting for outstanding data responses and continuing to vet the project.

Acting Chair Hubbard asked for more discussion on the 'moderate income offering'. Mr. Ross summarized this concern. Mr. Garlick and Mr. Teichert both asked for additional discussion on 'equity commitments'. Mr. Ross noted that the outcomes of the Equity Working Group were not incorporated into the plan until the final draft, which resulted in a limited opportunity to review

and iterate. Mr. Ross also expressed dissatisfaction with the company's integration of those recommendations and skepticism that the company's response is likely to effectively mitigate prior challenges these programs have faced. Mr. Teichert, Mr. Porter, and Mr. Ross discussed some clarifying details on this topic.

Acting Chair Hubbard asked where in the plan the Equity Working Group's recommendations are noted. Angela Li, Mr. Ross, and Mr. Cleveland pointed Chair Hubbard to Table 7 in the Main Text and to Attachment 11. Regarding whether the equity working group report had been revised, Mr. Porter encouraged the council to consider that report to be a working document that will be updated to encourage continuous improvement. Mr. Porter asked Mr. Ross to clarify the concern over 'process for determining eligibility' as it relates to moderate income customers and noted the company has committed to put in place a process for this but has not yet gone to market for a vendor to determine income eligibility and therefore the company did not want to prescribe a mechanism without understanding vendor proposals and costs. Mr. Ross reiterated the council's motivation for asking for the additional information. Mr. Porter suggested that the company could be able to speak to income verification methods and their approach at a future EERMC meeting.

Acting Chair Hubbard noted the current process to verify customers for income eligible services and asked why this existing process couldn't be used for determining moderate-income eligibility. Mr. Porter explained that in its income eligible programs, the Company doesn't actually verify income but rather determines eligibility for their offerings through a customer's qualification for other programs/services, such as SNAP or LIHEAP. Mr. Porter explained that this current method protects customer privacy, is less intrusive, and avoids duplication of efforts; therefore, verifying income that does not line up with other programs' income eligibility criteria is more difficult and requires a different mechanism. Mr. Teichert connected the question of income verification to ongoing studies (e.g. non-participant study). Mr. Porter clarified the objectives of those studies as being distinct from developing an income verification mechanism. Mr. Teichert asked when the insights from the non-participant study would be implemented. Mr. Ross and Mr. Porter clarified the non-participant study is likely to be complete in 2021 and the actionable recommendations would be implemented in 2022 or proposed in the 2023 Plan, as appropriate. Acting Chair Hubbard questioned what the non-participant study will tell us that we don't already know because we know both multi family and income eligible programs are traditionally underperforming and summarized past efforts which he characterized as unsuccessful to improve those numbers. Ms. Verrengia expressed frustration about feeling no closer to a solution for improving performance in these same programs, and mentioned declining energy savings from lighting. Mr. Porter and Ms. Verrengia discussed lighting savings trends. Mr. Gill Case brought up building codes eroding energy savings attributable to utility programs and noted program incentives are negligible in comparison to other development incentives, and recommended the need for higher program incentives. Ms. Verrengia provided other examples. Mr. Porter acknowledged and echoed Acting Chair Hubbard's frustration with their recent performance in the multi family and income eligible sectors. Mr. Porter explained that the barriers to participation are not economic (given 100% cost coverage incentives) and that the non-participant study is intended to uncover the non-economic barriers and identify strategies to address them. Mr. Porter suggested a future presentation and discussion on the findings of the non-participant study and strategies to improve participation and performance.

Mr. Teichert asked how council members can be in the best possible position to discuss and vote at next week's meeting. Ms. Verrengia asked for insight about what happens if the Council does not endorse the plan. Acting Chair Hubbard concurred.

Mr. Ross described the council's roles and responsibilities in potentially endorsing the 2022 Plan, and provided four options for action developed in collaboration with the Council's legal counsel. Notably, Mr. Ross described a distinction between endorsing the 2022 Plan and endorsing but not joining the 'Settlement of the Parties'. Mr. Ross also provided a distinction between a contingent endorsement (not endorse unless a specific condition(s) is met) and a vote to not endorse the plan altogether.

Commissioner Ucci explained that the Commission's process would be identical regardless of how the Council votes. Commissioner Ucci further explained that in the event the Council does not endorse the plan, the onus will be on the Council (and their expert consultants) to use the Commission's process to solicit the information needed to build a case for why the plan is deficient. Commissioner Ucci noted the Council's participation in the Commission's proceedings would be markedly different from prior years if the plan is not endorsed; this will require additional work and will be more intense than previous dockets. Mr. Gill Case asked whether the additional work would cost the Council more money. Commissioner Ucci noted that the consultant team would need to do additional analysis, respond to and issue data requests, and that these items may need legal review or interpretation as well. Ms. Verrengia asked for a clarification to endorse but not join a settlement. Commissioner Ucci and Mr. Ross provided additional clarification. Commissioner Ucci clarified that National Grid will file the plan regardless of how the Council votes. Mr. Roughan concurred with Commissioner Ucci's assessment but reminded the Council of the historical trend of joining a settlement and noted a concern over optics of the Council not joining a settlement and how that might result in unintended consequences for the energy efficiency market.

Ms. Verrengia asked for positions of other stakeholders. Commissioner Ucci noted that while the Office of Energy Resources (OER) had not determined a position yet, he is not particularly pleased by the lack of transparency about opportunity costs of the present plan. Mr. Porter responded that the company's perspective is that they had provided the necessary information regarding the alternative scenario (i.e. the savings goals proposed in the three-year plan prior to the compliance filing adjustments responding to the Commission's order). Mr. Ross provided some additional detail about why the information Mr. Porter referenced was not sufficient for analysis or responsive to the process concerns being raised.

Mr. Gill Case asked about process for how the Council would develop, prioritize, and vote on a list of reasons in the event of non-endorsement. Mr. Ross suggested the vote is one step and developing and submitting those reasons is a second distinct step that does not need to occur concurrently. Commissioner Ucci provided additional clarification and explanation of the expectations for the vote on September 23, the timing and process of developing the list of reasons why the EERMC does not endorse the plan, and the roles and responsibilities of participation in a contested docket. Mr. Cleveland noted that public comment will be in advance of the vote at the September 23 meeting. Commissioner Ucci likened a contested docket to opening the sandbox for the Commission, which may send a signal of disruption but may also



provide benefit to programs and vendors. Commissioner Ucci concluded with encouraging Council members to recognize the risk involved with not endorsing the plan.

## **5. Public Comment**

Hank Webster, Acadia Center:

Mr. Webster highlighted two issues: (1) identifying the ‘but-for’ energy savings. Not identifying the but-for savings precludes the Commission and the Council from understanding tradeoffs and giving stakeholders a chance to fight for the investments they feel should be prioritized. (2) Mr. Webster noted a concern over reaching non-participants. He suggested some strategies are likely similar to those being deployed in Massachusetts and elsewhere. Mr. Webster implored the company to not wait until the non-participant study is complete to implement these strategies.

Joel Munoz, Division of Public Utilities and Carriers:

Mr. Munoz commented on the 5% budget growth limitation. He suggested council members watch the [video archive of the December 22, 2020](#) open meeting (video with more views, minute 53) where the commission discussed the budget growth limitation. Mr. Munoz summarized some of the thoughts and statement of Chair Gerwatowski and Commissioner Anthony from this meeting. Mr. Munoz summarized that the objective of his comment is to help put the Council members in the best position to discuss and vote on the plan.

As follow up to Mr. Munoz’s comment, Mr. Teichert reiterated his note that the Council may fundamentally disagree with the prudence of limiting budget growth. Mr. Teichert further acknowledged the deaths that had occurred since the cited open meeting due to power outages caused by extreme weather events in numerous locations across the Country.

## **6. Adjournment**

Mr. Teichert made a motion to adjourn. Mr. Garlick seconded the motion. Acting Chair Hubbard adjourned the meeting at 4:58pm.

### **Outstanding Council Member Questions Requiring a Written Response:**

None



STATE OF RHODE ISLAND  
**ENERGY EFFICIENCY &  
RESOURCE MANAGEMENT COUNCIL**

## **EERMC FULL COUNCIL MEETING MINUTES**

**Thursday, September 23, 2021 | 3:00 - 5:00 PM**

Conference Room A, 2nd Floor Department of Administration One Capitol Hill Providence, RI 02908

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**Members in attendance:** Angela Li, Joe Garlick, Sue AnderBois, Commissioner Nicholas Ucci, Acting Chair Anthony Hubbard, Kurt Teichert, Peter Gill Case, Tom Magliochetti

**Others Present:** Marisa Desautel, Nathan Cleveland, Dr. Carrie Gill, Sam Ross, Adrian Caesar, Craig, Hank Webster, Emma Rodvien, Joel Munoz, Jessica Darling, Josh Kessler, Kai Salem, other attendees

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-september-2021/>

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### **1. Call to Order**

Acting Chair Hubbard called the meeting to order at 3:03pm, and noted there was not currently a quorum.

### **2. Meeting Minutes**

A vote on meeting minutes was not taken until after the Executive Director Report due to lack of quorum.

Mr. Teichert made a motion to approve council meeting minutes from August 19, 2021. Mr. Gill Case seconded. There were no nays or abstentions. The motion was approved.

Mr. Teichert made a motion to approve council meeting minutes from September 16, 2021. Mr. Gill Case seconded. There were no nays. Ms. AnderBois abstained. The motion was approved.

### **3. Executive Director Report**

Commissioner Ucci updated council members about the [2021-B Regional Greenhouse Gas Initiative Proposed Allocation Plan](#). There is a public comment hearing on October 5, 2021 and comments from guests, council members, and others are welcomed and encouraged.

Council member Tom Magliochetti arrived at 3:08

Commissioner Ucci notified council members about the Electric Vehicle Charging Infrastructure Plan directed by H5031/S0994, and encouraged council members and the public to attend public listening sessions on September 29, 2021 and October 1, 2021. More information is available at [www.energy.ri.gov/evplan](http://www.energy.ri.gov/evplan).

Commissioner Ucci notified council members of Bill Riccio's resignation from the council, effective immediately.

#### **4. Acting Chairperson Report**

Acting Chair Hubbard framed the objective of the meeting to discuss and vote on National Grid's 2022 Energy Efficiency Annual Plan (henceforth, "2022 Plan" or "the plan"). Acting Chair Hubbard reminded council members that the council's legal counsel is present for questions and guidance related to procedure. He then directed attendees who would like to make public comment to sign up, and reminded attendees public comment can be submitted online at [www.rieermc.ri.gov](http://www.rieermc.ri.gov).

#### **5. Program Oversight**

##### **2022 Annual Energy Efficiency Plan**

##### *a) National Grid Presentation on the 2022 Annual Energy Efficiency Plan*

Please refer to [National Grid 2022 EE Plan Final Draft Presentation](#)

Ms. Li notified council members that the Public Utilities Commission requested September 22, 2021 that National Grid file an additional provision plan with information on how the program will be designed if the CHP project is not approved. This provisional plan will remove the money invested in the CHP project currently and put it elsewhere in the portfolio, and then provisional plan will only become the plan of record should the CHP plan not move forward.

Ms. Darling reviewed the short-term timeline and summarized the council's focus areas that were incorporated into the plan. Ms. Li summarized how the plan focuses on equity and incorporates recommendations from the Equity Working Group. Ms. Darling discussed considerations of the components of Least Cost Procurement used to develop the plan and summarized the impacts of the plan.

Mr. Kessler summarized commercial and industrial enhancement and highlights. Mr. Gill Case asked what the difference is between retro-commissioning and commissioning. Mr. Kessler clarified that commissioning refers to the first time that commissioning occurs, while retro-commissioning refers to a sort of routine subsequent "tune-up". Mr. Kessler further clarified which items were excluded or proposed in limited scope, and described National Grid's motivations for doing so and their proposed activities in 2022. Mr. Teichert asked what '2022 Activities' meant, and Mr. Kessler clarified those activities are what National Grid is proposing to do in 2022. Mr. Kessler reviewed savings figures for this sector as well.

Ms. Li summarized residential and income-eligible enhancements and highlights. Ms. Li further clarified which items were excluded or proposed in limited scope, and described National Grid's motivations for doing so their proposed activities in 2022.

Ms. Darling summarized the energy efficiency electric and gas surcharges over prior years. Ms. Darling notes the surcharge will likely decrease slightly with the next update to the load forecast.

Ms. Darling described rate and bill impacts and referenced a discussion with the consultant team to discuss concerns and methodological changes, noting that no changes were made in the plan but further discussion will occur in 2022.

Commissioner Ucci asked what the 2022 energy efficiency surcharge is for National Grid's customers in Massachusetts. National Grid replied they thought it would be over two cents.

Mr. Magliochetti noted his past experience in commercial and industrial sector and suggested National Grid graph savings performance for that sector over time in a future presentation.

*b) Consultant Team Presentation on the 2022 Annual Energy Efficiency Plan*

Please refer to the [Consultant Team 2022 EE Plan Final Draft Presentation](#)

Mr. Ross summarized the Public Utilities Commission Order on Docket 5076 at the request of Commissioner Ucci. Mr. Teichert asked for clarification on what the council would be voting on today and how that relates to the recently request provisional plan filing referenced by National Grid. Council members discussed procedural questions. Council attorney Marisa Desautel clarified that the council should vote on the plan as presented at the council meeting, and suggested the Public Utilities Commission may request an additional vote from the council on the provisional plan if needed.

Mr. Ross summarized prior review of the plan and key discussion points from the September 16, 2021 special council meeting. Mr. Teichert recalled that Mr. Porter had said at the September 16, 2021 meeting that National Grid had identified additional opportunities to allocate funding for energy efficiency should the CHP project not be approved. Ms. Li clarified that National Grid does not have a fully fleshed out provisional plan at this point, but suspected energy savings will be less than the savings from the CHP project.

Mr. Ross summarized the council's responsibility to vote whether to endorse the plan and whether to approve the cost-effectiveness report. Mr. Ross concluded that the consultant team did not have enough information at this point to suggest a determination of whether the plan meets the requirements of Least-Cost Procurement.

Acting Chair Hubbard asked for clarification about how reconciliation funding impacts rate and bill impacts. Mr. Ross clarified the method used and the method suggested by the consultant team for including reconciliation funding. Namely, Mr. Ross suggested the current method fails to disaggregate the rate and bill impacts due to reconciliation funding and program spending. Ms. Darling added that National Grid will be including year-over-year impacts in their pre-filed testimony.

Commissioner Ucci thanked Mr. Cleveland and the consultant team for their hard work over the past few months, as well as the hard work of National Grid's staff. Commissioner Ucci noted that a benefit of the regulatory process is that stakeholders will have an opportunity to further inform the record through participation and data requests.

*c) Public Comment on the 2022 Annual Energy Efficiency Plan*

Hank Webster, Acadia Center

Mr. Webster referred the council to his comments on September 16, 2021. Not knowing which investments would otherwise be pursued without a budget cap really hurts the ability of stakeholders to make an informed decision on the plan. The CHP project is an illustrative example of how stakeholders could have used this information to make a more informed decision on plan composition. Additionally, Mr. Webster indicated that we don't need to wait for results from the non-participant study to make progress on improving the programs. He also commented that the general framing of the system benefit charge in this year's plan being depicted as year over year change distorts the picture of how the system benefit charge has trended over time and that he feels it is unwise to frame this in such a limited view, but rather tell the whole story over time.

Joel Munoz, Division of Public Utilities and Carriers

Mr. Munoz informed stakeholders that the Division will not sign on to a proposal or settlement. They support the overall design and process but have enough concerns over specific items in the plan, some of which discussed today, that they will not be settling. Primarily they are concerned with the system benefit charge increase and the impacts on ratepayers, as well as concerns over forecasting. Mr. Munoz also noted that the Division's position on the CHP project will be submitted by the end of the day tomorrow. He closed by saying that the regulatory process exists for a reason and that a contested case does not mean a contentious case.

Kai Salem, Green Energy Consumers Alliance

Ms. Salem acknowledged staffing changes at GECA but will provide comments based on the limited way she's been involved this year. She noted that the regulatory process over the past few years has been frustrating, and that GECA is beginning to see limitations of Least Cost Procurement more broadly for meeting climate goals. GECA has been interested in energy efficiency as part of their mission to accelerate a low-carbon future. The model that worked for lighting market transformation will not get us to our climate goals. Least Cost Procurement is the only program we have to reduce emissions in the building sector (roughly a third of current emissions) which we need to reduce to net zero by 2050. In Massachusetts they just signed an order establishing a clean heat commission and providing funding for this work. Ms. Salem would like these types of innovative ideas to be proposed in Rhode Island.

She stated that GECA supports any and all cost-effective energy efficiency but don't want ratepayers to fund this all on their own. She encouraged us all to instead look at energy bills as a whole to think about energy affordability more broadly. Moreover, GECA feels that the savings achieved in this plan are dramatically lower than targets and that they opposed the method of designing the plan around perceived budget limitations. Additionally, GECA opposes spending ratepayer dollars on incentives for fossil fuel equipment and would rather see that budget spent on things like weatherization. In closing, Ms. Salem indicated that GECA supports investments in energy efficiency and pleased to see some improvements in this plan however we don't believe this is the best plan that could have been proposed even within perceived constraints and hopes that we can all work together to figure out what role energy efficiency plays in meeting our climate goals in the coming years.

*d) Council Discussion and Vote on the 2022 Annual Energy Efficiency Plan*

Acting Chair Hubbard framed the discussion and opened the floor.

Mr. Gill Case stated he has attended the energy efficiency technical working group meetings throughout the year and the multi-family working group and had monthly meetings with the consultant team, has corresponded with council, and reviewed the final draft of the plan. He has concluded that ratepayers and Rhode Islanders deserve better. He is concerned that all opportunities were not assessed in the plan development process and has concerns related to the process itself including the timeline and responsiveness of the Utility. He noted that there were lengthy discussions on barriers to progress, some of which did not seem legitimate. He stated that his thinking was further influenced by the continued extreme weather events, the passage of Act on Climate, continued and projected poor performance in the income-eligible and multi-family sectors of the program and a renewed focus on equity and energy justice. He is also aware that next year there may be a new utility company. Mr. Gill Case indicated that he is hopeful the Council will continue to set a high standard for energy efficiency programs in Rhode Island and that the plan itself and the way it was developed leads him to not support the plan.

Mr. Teichert reflected on discussion from 9/16 and in particular Mr. Roughan's comment about optics if the Council does not support the plan. He would like to reinforce the position that higher, more aggressive targets are necessary and feels the concerns the Council is raising are significant and challenges his support of this plan. He noted that he would like to frame their action and comments as much as possible to send a clear signal to the market that the Council is intent on getting the most optimally cost-effective savings as possible. He recognizes the Divisions position about ratepayer concerns, but key thing is that how we move forward and opportunity to open the process puts us in a direction to optimize efficiency of the delivery of energy efficiency services.

Ms. AnderBois wanted to echo comments made by Mr. Teichert, Mr. Gill Case, Ms. Salem, and Mr. Webster. Her concerns include continued incentives for fossil fuel equipment and is worried cost effectiveness assumes continued use of fossil fuel equipment. She also has concerns about the viability of the CHP project, and even if it was the most optimal for energy savings it doesn't pass smell test for getting that much money that would have otherwise support ~500 other projects. She also wanted to highlight the differential treatment of macroeconomic impacts being included for this project, and question if the same is the case for small, women-owned and BIPOC-owned businesses. She wants to make sure that even if the Council doesn't vote to approve that it doesn't send the wrong signal to the market, since the Council is incredibly supportive of energy efficiency and feels that more needs to be done. Ms. AnderBois also stated that she would be more empathetic to process concerns if this wasn't a regular, annual process that's guaranteed a rate of return. While she has empathy for people doing the work, the company needs to be investing in the planning process and their staff.

Commissioner Ucci, as Executive Director of the Council, said he felt that there is a pattern of tone-deafness over the past year plus from the company – not personal – but the issues discussed today and last week have been discussed many times previously. Therefore, it should not be a surprise the types of questions and data requested by Council and OER. He feels this information should have been produced in a timely manner and that he expects them to be produced in regulatory process, but the Council does not have the information today to inform their vote. He expressed disappointment in the company's approach this planning cycle and indicated that the assessment at OER aligned with what the consultant team has described today. Importantly, however, as Mr. Munoz stated, not settling doesn't need to be contentious; we just don't have

enough information to understand whether the proposed plan is in the best interest of Rhode Islanders. He closed by saying that OER will not be settling and that we are looking forward to being fully engaged to foster continued dialogue in the coming months. He is hopeful that using the regulatory process will uncover information to refine testimony, comments, and positions to help the commission make the right decision for Rhode Island.

Acting Chair Hubbard offers a different version of the comment last week regarding optics. He framed it as a question of optics of his seat on the council and who he represents. To sit year after year and watch the income-eligible sector underperform with a promise of improvement that does not materialize and to not have information required to determine progress is not acceptable. He feels he should not have to do that level of research as a council member to refer to prior plans for information and indicated that the population he represents doesn't see themselves as benefitting from these plans. He also stated that on concept of equity more broadly: we know what the issues and barriers are but are yet to see workable solutions or implementation to address those. For that reason he cannot support this plan as the representative for income eligible folks.

Mr. Garlick concurs with comments and offered a motion to not endorse, at this time, the 2022 Energy Efficiency Plan as presented by National Grid to the Council on September 23, 2021. Furthermore, the Council directs its consultant team to develop and issue, through its legal counsel, pertinent data requests to support the Council in formulating its position and documenting its reasons to be submitted to the PUC for its consideration in final review of the 2022 Annual Energy Efficiency Plan.

Ms. AnderBois seconded the motion.

Mr. Teichert wanted to clarify whether conditions for endorsement would need to be included as in the motion as presented the Council is not laying out conditions under which they will endorse. Ms. Desautel agreed that this motion does not include conditions for endorsement and that such conditions are not a requirement of the Council if that is not their intent. Commissioner Ucci highlighted the wording "at this time" in the motion.

No further discussion. All ayes. No nays. No abstentions. Motion carries.

Mr. Ross asked Ms. Desautel to comment on the process required to document Council reasons for non-endorsement. Ms. Desautel summarized the conclusion from her discussion with the PUC attorney about next steps. The proceeding could look like similar to a settlement proceeding and in fact, Commissioners may have fewer questions because they are seeing other participating parties are not endorsing the plan and additional discovery may be conducted. She anticipates that the PUC will expect the Council to be a participating party and statute states that upon motion to intervene the Council can be a participating party. Ms. Desautel also noted that procedural the process will look the same as well, with the Council filing the cover letter, vote outcome, cost-effectiveness report, and comments to the efficiency docket after the plan is filed.

Ms. Desautel also highlighted areas where the process may differ from past year, indicating that there are likely to be more data requests and potentially an additional hearing day, though the likely outcome is the same number of hearing days.

Mr. Gill Case asked if the Council needed to discuss, act, or vote in order to specify their reasons. Ms. Desautel indicated that the reasons for not endorsing will either be summarized in the

comments filed and that Mr. Ross and the consultant team can represent discussion from the meeting minutes to inform those reasons, but would also be able to use a council-directed list.

Mr Teichert stated his interpretation of the budget cap and limitation and asked if there was a way to get the Commission to clarify in real time what their intent was and what the best process would be to get that clarification. Mr. Ross recommended a direct reading of the Commission's written order on Docket 5076, which was recently released and detailed their thinking on this topic. Commissioner Ucci noted that he was hopeful that discussions illustrate confusion caused and appreciate them trying to provide clarity in the order.

### **Cost-Effectiveness Report**

#### *e) Consultant Team Presentation on the Cost-Effectiveness Report for the 2022 Annual Energy Efficiency Plan*

Mr. Ross summarized the legislative basis for the cost-effectiveness report, the process for developing the cost-effectiveness report, and the cost-effectiveness finding that the plan is cost-effective and less than the cost of supply.

#### *f) Council Discussion and Vote on the Cost-Effectiveness Report*

Mr. Gill Case moved to approve the cost-effectiveness report and directed the consultant team to update the highlighted sections prior to filing. Mr. Teichert seconded. No discussion. All in favor. No opposed. Motion passes.

### **6. Public Comments on Other Topics**

None.

### **7. Adjournment**

Mr. Gill Case made a motion to adjourn. Ms. AnderBois seconded the motion. Acting Chair Hubbard adjourned the meeting at 4:45pm.

### **Outstanding Council Member Questions Requiring a Written Response:**

None





STATE OF RHODE ISLAND  
**ENERGY EFFICIENCY &  
RESOURCE MANAGEMENT COUNCIL**

## **EERMC FULL COUNCIL MEETING MINUTES**

**Thursday, October 21, 2021 | 3:00 - 5:00 PM**

Conference Room A, 2nd Floor Department of Administration One Capitol Hill Providence, RI 02908

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**Members in attendance:** Tim Roughan, Joe Garlick, Commissioner Nicholas Ucci, Angelia Li, Karen Verrengia, Kurt Teichert, Acting Chair Anthony Hubbard, Sue AnderBois

**Others Present:** Marisa Desautel, Nathan Cleveland, Dr. Carrie Gill, Anika Kreckel, Sam Ross, Craig Johnson, Rachel Sholly, Crystal Johnson, Josh Kessler, Kai Salem, Margarita Robledo-Guedes, Jamal Lewis, Hank Webster, Joel Munoz, other attendees

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-october-2021/>

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### **1. Call to Order**

Acting Chair Hubbard called the meeting to order at 3:03pm and noted there was not currently a quorum.

### **2. Meeting Minutes**

A vote on meeting minutes was not taken due to lack of quorum.

### **3. Executive Director Report**

Commissioner Ucci updated council members about future work related to the 2021 Act on Climate, and summarized the Facility Equity Initiative on which a recent press release was based. Upon Council Member Verrengia's request, council members will be added to the Act on Climate email distribution list.

### **4. Acting Chairperson Report**

Acting Chair Hubbard summarized the meeting agenda and pointed council members to materials to review that are not on the meeting agenda today. Acting Chair Hubbard reminded council members that the consultant team is working to schedule a council retreat. He then directed attendees who would like to make public comment to sign up, and reminded attendees public comment can be submitted online at [www.rieermc.ri.gov](http://www.rieermc.ri.gov).

### **5. Program Oversight**

#### **2022 Annual Energy Efficiency Plan**

a) *Regulatory Updates on the 2022 Annual Energy Efficiency Plan*

Please refer to [PUC Procedural Schedule for the 2022 Energy Efficiency Docket #5189](#)

Council Attorney Desautel reviewed the procedural schedule for Docket 5189 and noted her firm had already submitted a motion to intervene on behalf of the Council. She and Mr. Ross also discussed the separation of the CHP project from the 2022 Energy Efficiency Plan; the CHP project is now on a parallel review track by the Public Utilities Commission. Mr. Ross noted the consultant team has already started drafting data requests for Docket 5189 and offered one-on-one conversations with council members, as desired.

*b) National Grid Presentation on the 2022 Provisional Energy Efficiency Plan*

Please refer to [National Grid's Presentation on the Provisional 2022 Energy Efficiency Plan](#)

Mr. Kessler summarized the purpose of the Provisional Plan as reallocating the proposed incentive for the CHP projects to non-CHP measures. National Grid proposes reallocating all funding to large commercial and small business programs, including increased incentives for target measures, increased implementation staff and vendor support, an air source heat pump program for displacing electric resistance heat for small business, and an HVAC early retirement program. Mr. Kessler summarized expected energy savings and costs and benefits of the Provisional Plan. Mr. Kessler noted the Provisional Plan results in a better benefit-cost ratio of the large commercial new construction program but a smaller benefit-cost ratio for large commercial retrofit and small business direct install programs (all benefit cost ratios are greater than 1.0).

Council Member Teichert asked about modeling customer adoption of measures. Mr. Kessler noted the difficulty in modeling participation.

Mr. Johnson asked for more information related to the HVAC early retirements program and how that program was integrated into the benefit-cost assessment model. Mr. Kessler noted impacts would be incorporated as 'other HVAC measures' in the benefit-cost model.

*c) Consultant Team Presentation and Discussion on the 2022 Provisional Energy Efficiency Plan*

Please refer to [Consultant Team Presentation on the Provisional 2022 Energy Efficiency Plan](#)

Mr. Ross and Mr. Johnson summarized the Provisional Plan and related background context. They also presented some comparative analysis between the 2022 Energy Efficiency Plan as filed and the Provision Plan. Mr. Ross further discussed the benefit-cost ratios of the two plans, and noted the greater macroeconomic impacts of the Provisional Plan relative to the 2022 Energy Efficiency Plan, which is due to increased use of local vendors and utility savings across customers resulting from the Provisional Plan.

Mr. Johnson further described the reallocation of the CHP incentive and other shifts in the budget of the Provisional Plan. Mr. Kessler clarified National Grid's budget planning model automatically allocates administrative and overhead costs to individual programs, and therefore

these other shifts in budget were an artifact of National Grid’s budgeting process and not necessarily a manual reallocation of spending.

Mr. Johnson and Mr. Ross described the expected gas savings of the Provisional Plan relative to the 2022 Energy Efficiency Plan.

Mr. Teichert asked about some of the costs of the HVAC early retirement program. Mr. Kessler described staffing and vendor needs for the HVAC early retirement program relative to the staffing and vendor needs of the CHP project as originally described in the 2022 Energy Efficiency Program.

## **6. Special Topics**

### *a) Equity Working Group Facilitator Presentation*

Please refer to [GHHI Presentation on the Equity Working Group](#)

Mr. Lewis summarized the background leading up to the Equity Working Group and objectives of the Working Group this year. He described the Green and Healthy Homes Initiative and their interest in the Equity Working Group and qualifications for facilitating the Equity Working Group. Mr. Lewis discussed their objectives for and process to recruit for the Equity Working Group.

Mr. Lewis reviewed the topics for discussion at each meeting over the course of May through August 2021, culminating in draft recommendations delivered to National Grid in September 2021. Mr. Lewis further detailed each meeting for council members, as well as the process they used to facilitate Equity Working Group members in prioritizing recommendations for improving equity in marketing/outreach, data tracking/metrics, workforce development/training, and budgeting. Mr. Lewis also reviewed the overall top recommendations and summarized National Grid’s proposed actions on those recommendations.

Ms. Li asked which meetings generated the most interesting discussion – Mr. Lewis responded that the first introductory meeting and the final meeting to review recommendations and proposed actions were the most interesting. Council Member Verrengia noted the interest in this topic and asked about next steps. Ms. Robledo-Guedes told council members that the Equity Working Group suggests the group continues into the future and hopes National Grid can continue to connect the group with facilitation support. Acting Chair Hubbard noted that his perspective is that the Equity Working Group would like to see actions through to implementation, as often members are asked to support planning but are then removed from the implementation process. Council members and GHHI facilitators confirmed that GHHI’s scope of work is now officially complete.

### *b) Consultant Team Presentation on Council Education Activities*

Please refer to [Consultant Team Presentation on Council Education Activities](#)

Ms. Sholly summarized public education activities and budgets – energy education and outreach, educational energy videos, and energy training for K-12 teaching, in addition to a student Energy Fellow.

Ms. Sholly updated council members on the EERMC Annual Public Forum and noted the theme is “Grid Resilience: How investments in sustainability and environmental justice will shape our future.” The format for the event will include a keynote speaker with two panels and will take place virtually.

Ms. Sholly described the EERMC Energy Lecture Series, a series of three virtual lectures on October 28, November 8, and December 13 focused on energy efficiency. Ms. Sholly asked council members to help advertise for the lecture series and asked for recommendations for speakers from council members.

Ms. Sholly reviewed topics for energy education video and updated council members that the consultant team has kicked off work with their selected vendor in early September. She also summarized the status of efforts related to energy training for K-12 teachers.

Ms. Sholly updated council members that the second session of the EERMC retreat will likely be November 8, 2021 and will be in person (in accordance with the Open Meetings Act). Ms. Sholly asked council members for input on topics to be covered at the retreat. Council Member Verrengia suggested holding the retreat outdoors at Verde Vineyards (the focus of a recent farm energy video).

Mr. Ross noted that the consultant team will be able to update and discuss Docket 5189 proceedings with council members at their regularly scheduled November meeting, so the retreat did not need to reserve time for those discussions. Mr. Ross reminded council members that they may ask the consultant team for one-on-one conversations and updates on the Docket 5189 proceeding at any time.

Council Member Verrengia noted she’d like to further discuss workforce development and the HVAC early retirement program at the retreat.

Council Member Roughan noted a recent opinion article in UtilityDive from Commissioner Anthony regarding electrification and suggested council members may be interested in reviewing it. Mr. Ross clarified the argument made was related to the funding mechanism for incentivizing electric heating and electric transportation. Council Member Li added Commissioner Anthony supported driving down the cost of electricity as a way to encourage electrification.

Council Member Verrengia reminded council members that council budget is being spent on educational materials and events, so council members should help with outreach to maximize impact and reach of the educational efforts.

## **7. Public Comment**

None

## **8. Adjournment**

Acting Chair Hubbard adjourned the meeting at 4:30 pm without a vote.

### **Outstanding Council Member Questions Requiring a Written Response:**

None



STATE OF RHODE ISLAND  
**ENERGY EFFICIENCY &  
RESOURCE MANAGEMENT COUNCIL**

## **EERMC FULL COUNCIL MEETING MINUTES**

**Thursday, November 18, 2021 | 3:00 - 5:00 PM**

Conference Room B, 2nd Floor Department of Administration One Capitol Hill Providence, RI 02908

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**Members in attendance:** Commissioner Nicholas Ucci, Tim Roughan, Angela Li, Tom Magliochetti, Karen Verrengia, Joe Garlick, Acting Chair Anthony Hubbard, Kurt Teichert, Perter Gill Case, Sue AnderBois

**Others Present:** Nathan Cleveland, Dr. Carrie Gill, Sam Ross, Craig Johnson, Rachel Sholly, Adrian Caesar, Eric Belliveau, Joshua Kessler, Matt Chase

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-november-18/>

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### **1. Call to Order**

Acting Chair Hubbard called the meeting to order at 3:05pm.

### **2. Meeting Minutes**

Council Member Verrengia motioned to approve the September and October Meeting Minutes. Council Member Garlick seconded. There was no discussion. All in favor; none opposed. The motion passes and meeting minutes are approved.

### **3. Executive Director Report**

Commissioner Ucci updated the Council on the Executive Climate Change Coordinating Committee (EC4's) public sharing session, which discussed the scope of the update to the 2016 Greenhouse Gas Emissions Reduction Plan as required by the 2021 Act on Climate, and announced the upcoming EC4 meeting in December. Commissioner Ucci noted the Rhode Island Infrastructure Bank is accepting applications to the Municipal Resilience Program through December 17, 2021. Commissioner Ucci reminded the Council to consider potential volunteers to fill EERMC vacancies.

### **4. Acting Chairperson Report**

Acting Chair Hubbard summarized the meeting agenda and pointed council members to materials to review that are not on the meeting agenda today. He thanked participants in the recent council retreat and asked that they please share thoughts and observations with Rachel on the consultant team.

### **5. Program Oversight**

*a) Regulatory Update*

Please refer to [Updated PUC EE Procedural Schedule](#)

Mr. Ross from the Consultant Team reviewed the amended procedural schedule.

*b) National Grid & Consultant Team Presentation on the 2021 Quarter 3 Energy Efficiency Report*

Please refer to [2021 3<sup>rd</sup> Quarter Program Results – Consultant Team and National Grid Presentation](#) and [2021 3<sup>rd</sup> Quarter Program Results – National Grid Report](#)

Mr. Caesar and Mr. Johnson from the Consultant Team reviewed performance of electric and gas energy efficiency programs. National Grid representatives, Ms. Li and Mr. Kessler, provided residential and commercial highlights. Council Member Teichert asked for clarification in gas program spending. Mr. Johnson connected spending increases to increased incentive levels for weatherization. Acting Chair Hubbard asked for more detail on National Grid's strategy to increase performance of the income-eligible program from ~31% to ~90%, referencing the Q4 meeting on best practices held this morning between National Grid and the Consultant Team. Mr. Johnson stated that National Grid is no longer expecting to reach the same end-of-year performance levels as they had anticipated. Council Member Verrengia added that the Community Action Agencies (CAPs) have been challenged with finding workers and noted some workforce development efforts. Mr. Johnson responded that the CAPs have begun paying vendors in advance in hopes of encouraging vendor partnerships and noted supply issues preventing savings from appliances. Mr. Ross noted that the issues highlighted are on top of historical poor performance of this program. There was additional discussion about workforce challenges.

*c) Review Timeline for 2023 Energy Efficiency Plan Development, Review, and Submission to the PUC*

Please refer to [2022 Key Deliverables and Schedule Presentation](#)

Mr. Ross from the Consultant Team reviewed key deliverables and timing of those deliverables in 2022. Council members discussed clarifying questions about the timeline. Ms. Li noted a discrepancy in the timeline with the timing of the quarterly reports and will follow up with correct dates.

**6. Council Business**

*a) Review and Vote on Legal Services Budget Increase Request for 2021*

Please refer to [Legal Services Budget Increase Request](#)

Mr. Cleveland reviewed the memo submitted by Council Attorney Desautel requesting a budget increase. Council Member Teichert asked for clarification on drivers for this budget increase. Mr. Cleveland noted the contested docket is primarily driving the overage, with other drivers including the number of Council legal questions, travel and attendance at in-person meetings, and

other factors. Council Member Garlick asked for hourly rates for legal services. Council Member Teichert made a motion to approve the requested \$17,000 increase in funding allocated to legal services in 2021. If any of the \$17,000 increase is unused by the end of 2021, the remainder shall return to the unallocated pool of the EERMC's funds for 2022. Council Member Verrengia seconded. There was no discussion. All in favor; none opposed – the motion passes.

*b) Review 2022 EERMC Meeting Calendar*

Please refer to [Draft 2022 EERMC Meeting Calendar](#)

Mr. Cleveland presented the proposed list of dates for 2022 council meetings. Mr. Cleveland noted that Council Member Teichert will be on sabbatical and unable to attend council meetings in the first two quarters; this in addition to vacant council seats could pose challenges for votes. Council Member Verrengia requested, and Mr. Cleveland agreed, that votes be consolidated within key meetings. Council Member AnderBois noted that the 3-5pm timeframe may present challenges to members and attendees related to conflicting with childcare pickup. Council Members asked if a vote could be taken today, but since the vote was not noticed, Commissioner Ucci suggested holding a vote for the next meeting.

*c) Review Draft 2022 EERMC Budget & Consultant Team Scope of Work*

Please refer to [Draft 2022 EERMC Budget](#), [2022 Consultant Team SOW/Budget – Consultant Team Presentation](#), and [2022 Consultant Team SOW/Budget – Consultant Team Memo](#)

Mr. Cleveland reviewed the Council's draft budget for 2022. Council Member Gill Case, Mr. Cleveland, and Mr. Ross discussed the difference between allocating money to a future potential study and allocating money for a potential study data refresh. Mr. Roughan asked whether unallocated funding could be reconciled; Commissioner Ucci noted that reconciliation had occurred in years past. Council Member Gill Case suggested increasing the legal budget for 2022. Acting Chair Hubbard suggested the education budget may need to be increased as well.

Mr. Ross introduced Eric Belliveau from the Consultant Team who provided an update on staffing. Mr. Ross reviewed their proposed scope of work and budget. Council Member Hubbard asked how the Consultant Team's budget compares across states in which they work. Mr. Belliveau and Mr. Ross explained that the Consultant Team's budget is commensurate with energy efficiency program size across states and depending on the role of the Consultant Team in those states. Council Member Verrengia thanked the Consultant Team for their presentation.

## **7. Special Topic**

*a) Office of Energy Resources Presentation on the Location Based EE/DR*

Please refer to [Targeted EE/DR – OER and Consultant Team Presentation](#)



Dr. Gill and Mr. Ross presented the concept of locational outreach for energy efficiency and demand response as a way to increase the likelihood of locational benefits. Council Member Roughan shared National Grid's perspective on implementing this concept.

#### **8. Public Comment**

None.

#### **9. Adjournment**

Council Member AnderBois made a motion to adjourn. Council Member Verrengia seconded. There was no discussion. All in favor; none opposed. Acting Chair Hubbard adjourned the meeting at 5:05 pm.

#### **Outstanding Council Member Questions Requiring a Written Response:**

None