



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

EERMC FULL COUNCIL MEETING MINUTES

Thursday, August 23, 2018 | 3:30 - 5:30 PM

Conference Room A, 2nd Floor, Department of Administration, Providence, RI

Members in Attendance: Chris Powell, Carol Grant, Karen Verrengia, Shigeru Osada, Joe Cirillo, Michael McAteer, Roberta Fagan, Tom Magliocchetti, Anthony Hubbard, Jennifer Hutchinson.

Others Present: Rachel Henschel, Mike Guerard, Mark Kravatz, Sara Canabarro, Dr. Carrie Gill, Erika Niedowski, Kai Salem, John Richards, Matt Ray, Ben Rivers, Courtney Lane, Paul Wassink, Angela Li, David Weitz, Raquel Webster.

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-august-2018/>

1. Call to Order

Chairman Powell called the meeting to order at 3:36PM.

2. Approval of Council Meeting Minutes

Chairman Powell requested a motion to approve the minutes for the July council meeting. Mr. Cirillo made a motion to approve the meeting minutes, and Ms. Verrengia seconded it. All Approved.

3. Chairperson Report

Chairman Powell stated that today the council will be focusing on the PUC's Standards Update and the first drafts of the 2019 EE and SRP Plans. He noted that due to the large amount of material that must be covered during today's meeting, he is asking that all council members hold their questions until the designated discussion time indicated on the agenda. Also, he will be holding all presenters strictly to their allotted times.

Chairman Powell reported that due to limited time, two items have been included in the packets but will not be discussed at today's meeting: item #1. National Grid's 2018 Quarter 2 report and item #2. National Grid's summary of their Listening Forum held on Aug 1st. He stated that if there are any questions on these items, please reach out to the Consultant Team.

Also, he noted that during the last EERMC meeting, Mr. Osada raised some concerns about the timeline for reviewing and submitting Annual Plans to the PUC. The council will return to this topic at the November EERMC meeting since this month and next will have packed meeting agendas as the members review National Grid's 2019 EE and SRP Plans.

Chairman Powell stated that to assist the Council members with the meeting today, there is a sheet with recommended discussion questions and vote language attached to the agendas. And, for those that would like to provide public comments during today's meeting, there is a sign-up sheet near the food and drinks.

Lastly, Chairman Powell publicly thanked Michael McAteer for his many years of service both with the EERMC and with the Rhode Island's Energy Efficiency programs. Mr. McAteer will be greatly missed here at the council. He noted that there is a thank you card going around the room, and that everyone here, including audience members, please take a moment to sign the card.

4. Council Business

a) *Presentation on Draft Comments to be submitted to the Public Utilities Commission (PUC) on the Standards.*

Mr. Guerard reported that all comments included in today's council packets were received this morning. The C-Team worked very hard to put it all together prior to this meeting.

Mr. Guerard stated that back in May, the EERMC submitted modifications to the Standards for the PUC to review. The PUC reviewed the EERMC's changes to the Standards in late July and rejected the proposed modifications because they were interested in further exploring the RI Test, as opposed to a better definition of the second test that the EERMC had provided. He noted that the PUC Commissioners are proposing different language to the Standards that attempts to moves to tests with closer alignment with Docket 4600's impact framework.

Mr. Guerard reported that the PUC set a deadline of tomorrow (August 24th) for written comments on their proposed language. Since the Council is meeting today, the Council's attorney, Marisa Desautel asked for the EERMC to be able to submit their comments tonight, or first thing in the morning so they have time to review it.

Commissioner Grant noted that what the Council has to do today is to vote on the memo summarizing comments on the modified standards to submit to the PUC.

Mr. Osada has concerns about this modified change. He stated that there isn't enough time to review these changes, or comments, since they were only provided through email this morning. He doesn't understand why the Council only received these documents this morning- not enough time.

Mr. Guerard explained that they only received comments from the other stakeholders this morning, therefore, they emailed everyone as soon as those documents arrived.

Mr. Osada stated that the EERMC shouldn't have to wait for other stakeholders to submit their comments, since the Council is its own identity.

Mr. Guerard explained that the main feedback they received from the PUC when they rejected the EERMC's proposed standards in late July, was that they were under the impression that there was an extensive stakeholder engagement on the proposed modifications. Once the PUC moved in this new direction the C-Team has been trying to engage with the stakeholders. Mr. Guerard highlighted that the most important thing on this draft memo is that there is no time to review, or rewrite other PUC Standards, so the Council is requesting more time and for the PUC to hold a tech session so that all stakeholders, and Council members can be involved and share their concerns/comments.

Chairman Powell noted that the Council is making a recommendation to allow the Council members, stakeholders, and others, to attend a tech session to share and submit their comments on the proposed modifications.

Mr. Osada stated that through discussion of the Three-Year Plan, this definition of the test came up several times. At the time, someone questioned if a second test was needed, and the same question was raised again at the beginning of this year. Now, the C-Team is mentioning a single test- this is simply not consistent.

Commissioner Grant noted that Mr. Osada is completely right, and that overtime it has gone in many different directions, but the Standards itself are within authority of the PUC. She stated that what everyone has been working on since last fall was what the Council thought was the expectation of the PUC. As it turns out, the PUC had a different expectation, and we have only learned about this different expectation

this past month, after the PUC said they wanted a test based on Docket 4600. She summarized that all this memo is stating, is that the Council and stakeholders didn't have enough time to review the new PUC proposal, and they would like more time to review, and participate in a tech session to voice over their concerns and comments.

Ms. Verrengia asked if the Council members have the stakeholder's comments in their packets. Mr. Guerard replied that all comments submitted are included in today's packets.

Mr. Osada also shared his opinion that National Grid needs to keep their forecasted number regarding the EE charge price at 1.04-1.09 cents/kWh which was presented at the July EERMC meeting in front of the public. He believes that National Grid can do this and that the Company needs to be challenged because National Grid is reporting that they overachieve their goals each year. The cost is now 7.5 c/kWh which is the highest it has been in EE history. Mr. Osada believes that National Grid needs provide a serious effort to lower this cost. He hopes to see the SBC charge go lower than the end of National Grid's forecasted range and the price per lifetime-kWh could be lower than 6.9 c/kWh.

b) Public Comment on Standards Update

Ms. Niedowski reported that the Acadia Center submitted their comments to the PUC this morning. She noted that the Acadia Center participated in the former Docket 4600 working group, and strongly supports the benefit cost framework, particularly to be applied for a cost of supply test.

Ms. Niedowski stated that Acadia Center is supportive of the RI Test because it fully reflects the policy objectives for the State. Acadia Center also supports revising the Standards to revise the test. However, they share the same concerns that were raised today about the timing and process of these revisions. Ms. Niedowski noted that Acadia Center was not aware of the Technical Session that PUC held in July because it was not properly advertised. She stated that the PUC had originally noticed their meeting as a Public Hearing, and later it was changed into a Tech Session.

Ms. Niedowski ended her public comment by stating that (1) Acadia Center strongly supports the RI Test because it already measures the benefits of Energy Efficiency, and it also compares the Cost of EE with the Cost of Supply; and (2) Acadia Center strongly agrees that the PUC should hold another Tech Session fairly soon so that all stakeholders can voice their concerns/opinions.

Ms. Verrengia asked when the Technical sessions was held since she was not aware of it. Mr. Guerard replied that it was first advertised as a Hearing and no public comment was allowed. However, the day of, it got changed into a technical session, and the C-Team was the only representative of the EERMC present, and the C-Team was not prepared for a Tech session.

c) Council Discussion & Vote on Comments to be Submitted to the Public Utilities Commission (PUC) on the Standards.

Mr. Osada asked for clarification on what test the PUC is referring to. Commissioner Grant replied that the PUC hasn't clarified details besides wanting to better incorporate the Docket 4600 framework.

Chairman Powell requested a few minutes to allow the members to read over the memo, and then vote on it. He noted the last paragraph states that the Council is requesting a tech session that allows all stakeholders to participate. The deadline for this would be September 11th, in order to for the updated Standards to be included in the second draft of the Annual EE Plan.

Mr. Osada stated that it's hard to vote on this memo without a clear definition. However, he feels comfortable to make a motion to buy time to review all documents by September 11th.

Chairman Powell restated that this request for a tech session would allow more participation not only from Council members, but stakeholders to voice their concerns and opinions. He noted that at the end of the day, the PUC gets to decide what happens.

Mr. Magliocchetti noted that it is beneficial for the Council to be respectful to the PUC and to do what they are asking.

Chairman Powell requested a motion to vote on the recommended comments on the Standards and their submission to the PUC. Mr. Magliocchetti made a motion to approve the recommended comments with the following edits: Only include paragraphs #1 (with September 11 date), #2, and #5 and to have Marisa Desautel file them with the Public Utilities Commission by the Comment deadline of August 24, 2018. Mr. Cirillo seconded this motion. All Approved.

5. Energy Efficiency Program Oversight

a) National Grid Presentation: Review of First Draft of 2019 Annual Efficiency Program Plan

Ms. Lane gave a brief intro about the 2019 Energy Efficiency Annual Plan First Draft.

Ms. Lane quickly went over the 2019 Plan Overview, which was followed by Mr. Ray who presented on Residential Program Highlights and Strategic Electrification.

Mr. Wassink went over the Connected Solutions for Residential, and Commercial & Industrial (C&I) programs.

Mr. Rivers covered Pilots and Demonstrations as well as the C&I Highlights, which included some changes to current programs, new initiatives and the roll out of the Rhode Island Digital Application Portal (RIDAP).

Ms. Lane noted that there's going to be some new items in the plan, which include: a fund balance update and EE Charge adjustment prior to the end of the year, coordination with on-going Power Sector Transformation Initiative efforts, and the tracking of additional metrics throughout 2019.

Mr. Richards went over the following: a comparison to the 3-Year Plan, the expected 2019 Electric Benefits, Electric Customer Charge, and Electric Savings, Costs and Benefits. Mr. Richard also covered the 2019 Gas Benefits, Gas Customer Charge, and Gas Savings, Costs and Benefits.

Ms. Henschel quickly highlighted the how the evaluation section for the Residential, and the Commercial & Industrial programs. She noted that the 2nd Draft will have more information about the evaluations.

Ms. Lane finalized the presentation by going over the changes expected for the Second Draft, which include: An updated electric sales forecast; Incorporating feedback and comments received from stakeholders; Incorporating updated fund balance projections; Further updating of the TRM and/or BC model based on the ongoing QA/QC and review by the consultant team; Adding the section on bill impacts analysis; Adding participation counts; and Adding the customer listening forum report.

Ms. Lane also highlighted the schedule and the next steps. She noted that all first draft comments are due by August 30th. The second and final draft of the plan is going to be circulated by September 20th, and on October 4th the EERMC members will meet and vote on it.

Ms. Verrengia stated that she is very excited about the 2019 Annual Plan.

b) National Grid Presentation: Review of First Draft of 2019 Annual System Reliability Procurement (SRP) Plan.

Mr. Chase gave a brief intro about the 2019 System Reliability Procurement Plan.

Mr. Chase highlighted the topics for discussion which included: A Review of Non-Wire Alternative Projects (NWA's); Rhode Island's System Data Portal; the Tiverton Pilot, which included Final Closeout and Evaluation, as well as Savings; the Little Compton Battery Storage Project; and the South County East NWA Projects.

Mr. Chase also went over the Customer-Facing Program Enhancements, Rhode Island Locational Incentives, SRP Incentive Mechanism Proposal, and lastly, the SRP 2019 Proposed Budget and funding request.

c) Preliminary thoughts from the EERMC Consultant Team on First Draft 2019 EE and SRP Plans

Mr. Guerard quickly went over the 2019 EE and SRP Review Process the Consultant Team uses. He highlighted the variable factors first shown at the EERMC's retreat that affect the EE and SRP Plans, the C-Team Trackers, and the process schedule & deadlines.

Mr. Guerard stated that if any Council members would like to submit their comments by August 30th, they need to email, or send their comments directly to him.

d) Council Discussion

Ms. Verrengia asked for more information on the Zero-Energy Pilot. Ms. Henschel stated that she will connect with her offline because Mona Chandra is on vacation this week.

Mr. Osada asked if the Energy Efficiency number on page 11 is correct. Mr. Richards replied that the number is an error, it should be 11, not 1.1.

Mr. Osada would like National Grid to compare all data from previous years, including this year to illustrate the changes, and how the programs have changed. Mr Osada noted that he doesn't agree with the timing of the preparation of the annual plan. He believes there's not enough time to review the final draft, and vote on it. He stated that he respects the law but asked National Grid why they can't use their best judgement and share results, instead of waiting 20 days to do so.

Mr. Osada stated that the EnergyWise Program is extremely expensive- he asked National Grid if they plan to achieve their goal this year, or surpass that value? Ms. Li answered that their goal is to achieve what they laid out in the 2019 Plan.

Mr. Osada asked if the Little Compton project is included in the demand response program? Mr. Wassink said no. Mr. Osada asked if National Grid is offering incentives for batteries, and how much. Mr. Wassink answered that the incentive amount is yet to be determined.

Ms. Verrengia restated she was not aware of the meeting that the PUC held in July and would like the C-Team to forward her the invites about the meetings that the PUC is holding. Commissioner Grant noted that she will connect with Ms. Verrengia offline to find out which topics interest her, so they can forward her the correct meeting invites.

Mr. Osada asked about the deadline, and how to upload comments on the first draft of the 2019 plan. Mr. Guerard stated that the deadline is August 30th, and all comments need to be submitted to him through email.

6. Public Comment on All Other Topics (including the draft 2019 EE and SRP plans)

Ms. Niedowski reported that the Acadia Center will be submitting more formal written comments after going through all the information provided today.

Ms. Niedowski stated that they see a lot of great things within the 2019 First Draft Annual Plan, including strategic electrification and demand response.

Ms. Niedowski quickly commended the Council, National Grid, OER and the Collaborative on coming very close to the 25MWh of innovation left as “not yet unidentified” in the Three-Year Plan. She noted they had an intense discussion about the goal for 2019, and coming so close to reaching it this year shows the importance of having aggressive saving targets. Ms. Niedowski hopes that they find more savings within the next two weeks and actually reach the goal.

Ms. Salem introduced herself to the Council. On behalf of People’s Power Light, she is now taking the place of Kat Burnham.

Ms. Salem applauded Ms. Niedowski for her comments and agreed with her. She stated that electric heating and demand response is two of PP&L’s top priorities for this year. She also stated that they are very excited about the Energy Efficiency program improvements for renters, moderate-income, and deliver-fuel customers.

Ms. Salem pointed out the gap in lifetime-savings; she noted 2019 has the lowest lifetime saving targets since the 2013 Annual Plan, and there needs to be a greater focus on this.

Ms. Salem agrees with Ms. Niedowski on innovation but would like to see more work on other things besides lighting.

Finally, Ms. Salem thanked the Council for having Public Comment before the vote today on the Standards, and in the future would like to see public comment happen earlier so the Public can get their comments in before the Council does.

7. Adjournment

Chairman Powell requested a motion to adjourn the meeting. Mr. Cirillo made a motion to adjourn, and Ms. Verrengia seconded it. All approved.

The meeting was adjourned at 5:33pm.