



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

EERMC FULL COUNCIL MEETING MINUTES

Thursday, October 4, 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, Joe Cirillo, Jennifer Hutchinson, Betsy Stubblefield Loucks, Anthony Hubbard, Tom Magliocchetti, Joseph Garlick.

Others Present: Nick Ucci, Rachel Henschel, Mike Guerard, Mark Kravatz, Jeff Loiter, Becca Trietch, Sara Canabarro, Dr. Carrie Gill, Erika Niedowski, Kai Salem, Matt Ray, Ben Rivers, Courtney Lane, Raquel Webster, Chris Porter, Laura Rodormer, Dilip Shah, Puja Vohra, Jonathan Schrag, Craig Johnson, Roo Harcourt, Albert DeMiranda, Sam Ross

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-october-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 September council meeting. Mr. Cirillo made a motion to approve the meeting minutes, and Ms. Verrengia seconded it. All Approved.

3. Executive Report

Commissioner Grant reported that included in today's packets is the ACEEE one-page scorecard and Rhode Island ranked #3 in the Nation. This is the second year Rhode Island has been rated #3, right behind Massachusetts and California. Commissioner Grant thanked everyone for their hard work and making this happen again.

Commissioner Grant announced that Mr. Osada and Ms. Williamson have resigned from their Council positions. She stated that she appreciates everyone for their services and hard work here at the Council, and she is looking forward to presenting new nominations.

Ms. Stubblefield Loucks asked who Ms. Williamson was representing. Commissioner Grant replied she was the Municipal representative.

Ms. Verrengia asked how long it takes to appoint another Council member. Commissioner Grant replied it takes a very long time- it is a very lengthy process and it may go up to the end of the legislative session in 2019.

Chairman Powell added that it is very important to keep an eye on the voting items and have a full participation from the Council members in order to have a quorum to approve Council items.

4. Chairperson Report

Chairman Powell reported that during today's meeting the Council will be voting on the approval of the 2019 Energy Efficiency and System Reliability Procurement Plans. He noted that the Council will be hearing from the Consultant Team, National Grid, and the public before the vote. He asked the Council members to feel free to ask questions at the end of the presentations in order to gain clarity before the vote.

Chairman Powell stated that in addition to voting on the Plans today, the Council will also be voting on the Consultant Team's cost-effectiveness report and attending to some council business towards the end of the meeting.

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 three different sign-up sheets: one focused on the EE and SRP Plans, one focused on the Cost-Effectiveness report drafted by the Consultant Team, and one for all other public comments.

5. Energy Efficiency Program Oversight

a) Consultant Team Presentation on 2019 Annual Energy Efficiency (EE) Program Plan and 2019 System Reliability Procurement (SRP) Plan

Mr. Guerard and Mr. Kravatz gave a brief intro on the outline of the EE Plan presentation.

Mr. Kravatz covered the review process for the Energy Efficiency Plan and the System Reliability Procurement Plan.

Mr. Guerard went over the 2019 EE Plan Highlights and the Residential and C&I Sector highlights. Some of the policy achievements include:

- 100% landlord incentives to help overcome the tenant- landlord disincentive
- Online home energy assessments and online assessment scheduling
- A proposal to update fund balances for Dec 1st in order to improve rate accuracy
- Commitment to enhance coordination between SRP and EE teams
- And a rework of the Small Business qualification requirements

Ms. Trietch noted that the Office of Energy Resources is very proud of all of the policy achievements within the EE Plan. These are all great improvements for customers in Rhode Island.

Mr. Guerard continued the presentation by reviewing proposed amendments that were still needed within the EE Plan. Two of the ten recommended amendments were described by Mr. Loiter. He explained the Cost of Supply and the BCR Model amendments. (Please see presentation for more details)

Chairman Powell asked what the needed amendment to the cost of supply values. Mr. Loiter explained that the amendment was needed due to a transcription error within the calculation.

Mr. Guerard summarized the consultant team's recommendation to approve the 2019 Energy Efficiency Plan with the ten amendments described in the presentation.

Mr. Loiter then presented the consultant team's perspective on the 2019 System Reliability Procurement Plan. He summarized what the goals of the SRP Plan are and reminded the audience what of the definition of non-wires alternatives (NWA's). He then summarized the major components of the 2019 SRP Plan, the major changes that occurred in the Plan from the first draft to this latest draft and recommended approval of the SRP Plan with three necessary amendments. (Please see the presentation for more details)

b) National Grid Presentation: Company's View on Recommended Amendments to the 2019 Annual Energy Efficiency Program Plan & 2019 Annual System Reliability Procurement (SRP) Plan

Ms. Lane and the National Grid Team came up to the front of the Council and asked if the Council members had any questions about the 2019 Energy Efficiency Plan. She noted that National Grid supported the amendments recommended by the C-Team for the EE Plan.

The Council members did not have additional questions for National Grid's team.

Mr. Chase came up and noted that he supported the recommended amendments shared by the C-Team for the SRP Plan.

The Council members did not have additional questions for Mr. Chase about the SRP Plan.

c) Public Comment on 2019 EE and SRP Plans

Ms. Salem on behalf of the Green Energy Consumers Alliance (formerly Mass Energy and People's Power & Light) thanked the Council and everyone for their hard work.

Ms. Salem highlighted a few sections of the plan:

- Incentives for delivered fuel customers and 100% landlord incentives
- Language addressing low-to-moderate income Rhode Islanders

Ms. Salem stated that this plan represents a strong, collaborative engagement of stakeholders, supports Zero-Energy Buildings, and has great gas and electric savings goals. She noted the plan also includes heating electrification and demand-response. However, she stated that this is just the beginning for these initiatives, as they are both extremely important for Rhode Island's clean energy future.

Ms. Salem reported that the heat pumps listed on the Plan are not sufficient. Even though the number of pumps increased from the 1st draft, to this draft, these numbers should be higher than 30 projects. She noted they would've liked to see more details on battery storage and demand response as well.

Ms. Salem added that the Plan comes up short on a few key items:

- The KW Capacity savings target was not met
- The lifetime savings in this Plan is the lowest they have seen in years

Ms. Salem concluded that overall, the 2019 EE Plan is a great plan, and it includes heating electrification and demand response. She advises the Council to vote yes to approve the Plan.

Dr. Gill on behalf of OER, stated that OER is in full support of the approval of the EE and SRP Plans. She noted the increased commitment to stakeholder engagement as an improvement to the 2019 SRP Plan.

Ms. Niedowski on behalf of Acadia Center, thanked the Council for the opportunity to speak. She stated that she is very pleased that RI earned a perfect score on the ACEEE Scorecard for its utility policies and programs for the fifth year in a row and continues to achieve amongst the highest levels of savings in the country.

Ms. Niedowski stated that the Energy Efficiency world was facing a set-back in 2018 because of the budget scoop and cap but is pleased that EE appears to be back on track this year with this 2019 EE Plan. She noted the plan provides great economic benefits, and that it is a strong plan that is cost-effective and costs less than supply. Ms. Niedowski noted that the plan also advances the electrification efforts which she is very happy about. She added that she is pleased to see that the 2019 EE Plan includes demand

response and applauds the efforts to better serve hard to reach sectors including renters and low income customers.

Ms. Niedowski urges National Grid to lower lifetime-costs. However, she is pleased that the lifetime costs dropped between drafts even as more savings were found. She stated that Acadia Center supports the 2019 EE plan and urges the Council to approve it.

Mr. Shah on behalf of City of Providence thanked everyone for their hard work on the Energy Efficiency Plan and System Reliability Procurement Plan. He stated that the City of Providence fully supports the approval of the Plans. He added that he would like to give special thanks to National Grid for being so responsive to the City's comments on the draft Plans.

Mr. Schrag thanked the Consultant Team, OER and National Grid for their hard-work, particularly Mike Guerard and Jeff Loiter. He stated that the DPUC supports both the EE and System Reliability Procurement Plans. In the SRP Plan the DPUC supports the inclusion of action-based incentives as a stepping stones to solely relying on savings-based incentives. Mr. Schrag also applauded the System Data Portal efforts and noted that Distribution System Planning needs should continue to be added to the Portal. Mr. Schrag restated that the DPUC supports the SRP Plan.

d) Council Discussion & Vote on the 2019 Annual Energy Efficiency Program Plan & the 2019 Annual SRP Plan

Chairman Powell stated that he needs a little more guidance in understanding the lifetime savings goals issue. He asked if the lifetime savings goals are dropping, wouldn't it conflict with the work the Council is doing. He noted that it seems like this is a conflicting goal.

Ms. Trietch gave a little bit of a background and stated that the Annual Saving Goals are different from the lifetime saving goals. She noted National Grid is working to track lifetime savings data to determine if lifetime savings goals should be considered for the future. Right now, the Plans are only required to achieve annual energy savings goals.

Mr. Guerard noted that the lifetime savings are not a required target and the smaller amount of lifetime savings in the 2019 Plan are caused by a "last bite at the lighting apple". Mr. Guerard stated that the Potential Study the C-Team is doing will probably look into this issue and help to address it in future plans.

Ms. Henschel agreed with Ms. Trietch and Mr. Guerard's comments. She noted National Grid isn't taking credit for much of the savings achieved by LED lighting installations, and that's one of the reasons why the goals are lower. She stated this is something National Grid is going to keep working on, even though there is a long way to go, her team is committed.

Ms. Henschel applauded the comments by Ms. Salem and Ms. Niedowski. She made a quick remark about additional efforts in 2019 related to Codes & Standards, and how they have incorporated evaluation results into the savings calculations. She also stated that GHG and lifetime savings are still happening, even if the programs aren't taking credit for them.

Chairman Powell stated that this issue seems like a priority, and the Council should definitely focus on this in the coming year.

Mr. Rivers quickly added that other program offerings such as SEM, retro-commissioning may also provide limited lifetime-savings.

Chairman Powell requested a motion to vote to approve the 2019 Annual Energy Efficiency Program Plan & the 2019 Annual SRP Plan.

Mr. Hubbard made a motion to approve the latest versions of the 2019 Energy Efficiency Program Plan and 2019 System Reliability Procurement Plan submitted by National Grid to the Council with the C-Team recommended EE amendments 1-10 and C-Team recommended SRP amendments 1-3 as shown in their presentations. The Council also directs Marisa Desautel to provide a signature page to National Grid prior to October 15th as part of the Settlement of Parties for the PUC filing. Mr. Cirillo seconded this motion.

Ms. Verrengia excused herself from the vote; All approved.

6. Council Business

a) Consultant Team to Present a Draft Cost-Effectiveness Report on the 2019 Annual Plans

Mr. Guerard gave a brief introduction to the presentation.

Mr. Loiter went over the C-Team Review Process. He also covered the Cost of Efficiency vs Cost of Supply and Cost Comparison Results.

Mr. Loiter then went over the C-Team Review Process for the System Reliability Procurement Plan, and the Summary of Benefit Cost Results from SRP.

Please see the presentation for more details.

b) Public Comment on the Cost-Effectiveness Report

No comments.

c) Council Discussion & Vote on Cost-Effectiveness Report for filing with the Public Utilities Commission

Chairman Powell requested a motion to vote to approve the Cost-Effectiveness Report for Filing with the Public Utilities Commission.

Mr. Magliocchetti made a motion to approve the cost-effectiveness report as currently written and to direct the consultant team to complete the few highlighted sections within the document and to submit the report to the PUC prior to the November 5, 2018 deadline. Mr. Cirillo seconded this motion. All approved.

d) Council Discussion & Vote on Contract Extension for the Consultant Team

Chairman Powell stated that the Council already approved the C-Team contract through the RFP Process, but each year the Council has to approve a one-year contract extension. He noted there is 2018's proposed scope of work included in today's packets for Council members to reference when making their decision. The scope of work was for \$615,000 but some additional items have been included and it adds up to a total of over \$735,000.

Ms. Trietch added that the C-Team's contract is indeed approved up to three-years, but it has to be renewed every year. If the Council votes yes, the C-Team will draft a new Scope of Work for 2019 and will present it at the November meeting. She noted the Scope of Work included in today's packets is their 2019 scope of work.

Chairman Powell reported that for today's vote, the Council is only voting to approve the extension of their contract, not including any dollar amounts.

Chairman Powell requested a vote to approve the Contract Extension for the Consultant Team.

Ms. Verrengia made a motion to direct Marisa Desautel to draft a one-year contract extension letter to be executed by the Chair and Optimal Energy before December 3, 2018 and after a Scope of Work has been reviewed by the Council for 2019. Ms. Stubblefield Loucks seconded this motion. All approved.

7. Public Comment on All Other Topics

Mr. Cirillo stated that in 1935 you could buy a tiny book for 0.35 cents that contained the entire Providence building codes. He noted that back then, language was incredibly simpler and more accessible to the public. He believes that nowadays, no one would understand what we voted on, and we should strive to make this language better and easier for the public to understand.

No additional comments.

8. Adjournment

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

The meeting was adjourned at 5:19pm.