****

**EERMC FULL COUNCIL MEETING MINUTES**

****Thursday, June 20, 2019 | 3:30 - 5:30 PM****

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

**Members in Attendance:** Chris Powell, Anthony Hubbard, Carol Grant, Roberta Fagan, Tom Magliocchetti, Karen Verrengia, Joe Garlick, Tim Roughan, Rachel Henschel.

**Others Present:** Mike Guerard, Mark Kravatz, Becca Trietch, Dr. Carrie Gill, Nathan Cleveland, John Richards, Angela Li, Laura Rodormer, David MacLellan, Matt Ray, Matt Chase, John Totorella, Fred Sneesby, Jonathan Rasco, Chris Porter, Michael O’Brien Crayne, Luke Phaneuf, Joel Munoz, Aidan Connell

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-june-2019/>

1. **Call to Order**

Chairman Powell called the meeting to order at 3:35PM.

1. **Chairperson Report**

Chairman Powell reported that since they do not have (6) voting members present at today’s meeting they will not be able hold votes on meeting meetings or on selecting a vendor for the potential study.

Chairman Powell also informed everyone that Commissioner Grant will be approximately 1 hour late and the Executive Director’s report will therefore be moved to the end of the meeting.

Chairman Powell stated that during today’s meeting the Council members will hear from the Council’s Consultant-Team (C-Team) and National Grid on the year-end results from the 2018 Energy Efficiency (EE) programs. There will also be an overview of the 2020 Annual Plan Development and Review process from the C-Team – as a reminder, this schedule has changed from past years to allow more time for feedback.

Following that, National Grid will present some insights from their customer feedback and analysis efforts and how those help to inform and improve programs and services.

Additionally, National Grid will be presenting their 2020 Energy Efficiency Plan Outline Memorandum, which is a new feature and is designed to highlight key topics to be covered in the draft 2020 EE Plan. The C-Team will also provide commentary and facilitate discussion on some of the elements of the 2020 EE Outline Memorandum, with a focus on key areas for Council members.

National Grid will also be presenting on the 2019 and 2020 System Reliability Procurement efforts and we will have both National Grid and other stakeholders presenting on Income Eligible Services as well as hearing about some updates to the Small Business Program.

Lastly, Chairman Powell asked Ms. Trietch to introduce the newest Office of Energy Resources (OER) staff member, Nathan Cleveland, to the Council. Nathan will be helping with the Council going forward. He the newest addition to OER’s EE team.

1. **Program Oversight**
	1. *Presentation: Year-End Report on 2018 Programs*

Mr. Guerard and Mr. Richards presented on the Year-End report for 2018’s EE programs. Notably, the results were very similar to the 4th Quarter (Q4) report that was given to the Council though it was mentioned there was some float between sectors. Overall variance from Q4 was 0% in the electric sector and 1% in the gas sector.

Mr. Richards went through the spreadsheet outlining the results and Mr. Guerard highlighted that there were some minor account changes since the 4th Q report due to late invoices being processed. Additionally, he went into detail about the significant change from Q4 results in the Commercial & Industrial (C&I) Multifamily program (which was +57%). Mr. Richards reported that the difference was attributable to correcting a pipe wrapping measure, but the overall portfolio impact was minor given that it is such a small piece of the portfolio.

Both Mr. Guerard and Mr. Richards indicated that 2018 was a success and that they were looking forward to 2019.

* 1. *Overview of 2020 Annual Plan Development & Review Process*

Mr. Kravatz gave an overview of the 2020 annual planning and review process highlighting the significant changes to prior cycles with the introduction of the outline from National Grid and the increased time windows for providing comments and feedback.

Chairman Powell asked about the scheduling of the final vote on the annual plan, which Mr. Kravatz indicated was still in October but that this revised process allows for more input and feedback earlier in the development process leading up to that final vote.

* 1. *National Grid Presentation on Customer Feedback & Analysis*

Ms. Li provided some insights on the customer feedback and analysis efforts that National Grid has undertaken in an effort to better inform and improve their programs and services. They have created a customer panel of 6,100 ratepayers who they engage with twice a month.

Chairman Powell asked if those 6,100 panel members were all in Rhode Island and Ms. Li indicated that they were portfolio-wide (e.g. RI, MA, NY).

Mr. Garlick inquired how those 6,100 panel members were selected and what the demographics of that group was. Ms. Li informed the Council that the customer panel was comprised of respondents to an email asking for participation and that National Grid had specific demographic requirements they prioritized in selecting from the pool of respondents to the email inquiry.

Ms. Li continued reviewing the insights provided by this group indicating that 90% of customers want to be more efficient and that 75% of them have taken some steps to do so, with rebates (66%) being a big driver for action.

Mr. Guerard inquired how the company was tracking all of this feedback and integrating it into their decision making on programming and services. Ms. Li replied that they have the ability to quickly aggregate the data they collect from these efforts and that the primary influence so far has been to provide more robust FAQs and to improve the messaging of their offerings to customers.

Ms. Henschel added that it was a challenge to distill all of their customer insight efforts into 15 minutes and that the Insight team was very sophisticated and that customers were a strategic priority for the company.

Chairman Powell commented that he would love to see specifically how customer feedback is influencing programs/services. Ms. Li asked what the best way to synthesize and deliver that information to the Council would be and Chairman Powell suggested perhaps highlighting trends or providing a summary of the top 10 issues, perhaps as part of a year-end report.

* 1. *National Grid Presentation on the 2020 Energy Efficiency Plan Outline Memorandum*

Mr. Ray presented an overview of the reasoning behind the creation of this new plan outline memorandum, which is to serve as a high-level overview and to clearly identify key areas the company will highlight as they draft the 2020 plan. This is a new opportunity to involve stakeholders in the planning process earlier on and provide additional time to receive feedback and comments from all of them.

Ms. Verrengia asked if changes would be highlighted between versions of the drafts to make tracking key changes easier. Mr. Ray indicated they would indeed be doing this.

Ms. Henschel added that they have circulated both redlined and short highlight/summary documents of plans in the past and are committed to still doing so.

Mr. Ray closed by explaining the way that the company has utilized the Energy Efficiency Technical Working Group (EE tech group) meetings - formerly known as the Collaborative - to continually inform their efforts and engage stakeholders more robustly.

* 1. *Consultant Team & Council: Comments & Discussion on the 2020 Energy Efficiency Plan Outline Memorandum*

Mr. Guerard then provided some commentary from the C-Team on the 2020 EE plan outline memorandum and modified planning process, saying that the preview this outline provides is of great value and it does a good job framing expectations and proposes direction for the plan without being prescriptive on the details. The expanded planning process that the memorandum is a part of also facilitates more stakeholder engagement.

Chairman Powell asked if there was a Council member consistently present at the EE tech group meetings. Ms. Verrengia stated that she consistently tried to join, either in person or on the phone. Mr. Guerard also indicated that the C-Team is always present at these meetings as well and representing the Council’s priorities. Mr. Kravatz added to this that when key topics are being discussed at these meetings, the C-Team does notify key Council members and often encourages them to attend.

Mr. Guerard then indicated that one of the key takeaways from the outline memorandum was the proposed change to using lifetime MMBtu for goals and targets and that there were a lot of potential ramifications to that change that would need to be discussed with respect to goals, targets, and incentives for the company; it is a priority to avoid “unintended consequences”. Chairman Powell asked how a change to MMBtu would affect program priorities, and specifically mentioned what impacts this may have on the income eligible programs? Mr. Guerard said that “unintended consequences” the C-Team will be looking into those exact type of impacts and will be discussing further with the Council. Ms. Henschel commented that she didn’t see income eligible services being adversely impacted by this change and felt that the switch to MMBtu better aligns the company’s incentives across the board but that they always need to think about program prioritization and balance, and she welcomes input from the Council.

Mr. Guerard also presented a set of “ongoing issues” identified in the memorandum, which include: all cost-effective savings targets, equity, innovation, financing, and environmental/carbon issues. These ongoing issues are accompanied by a set of “rapidly evolving” issues, which include: the future of lighting, heating decarbonization, workforce development, and integration and coordination, especially Power Sector Transformation (PST).

Chairman Powell expressed concerns about the impact of heating electrification efforts on customers – heat pumps may cost more for customers than other fuels given high electric rates in New England. Ms. Henschel said that National Grid is monitoring that, to which Chairman Powell responded that they should look at lessons learned from electrification efforts in other locations.

Mr. Magliochetti asked what success looks like when tackling the “rapidly evolving” issues and indicated that staying in front of these shifts was critical.

Ms. Fagan pointed out that the ongoing, basic issues feed the rapidly evolving issues and should be addressed in parallel.

Mr. Guerard said that those concerns should inform Council efforts on target and goal setting in order to best respond to the market, to which Mr. Kravatz suggested that Council members should pay close attention to these “hot topics” as the draft comes out and provide feedback on how the plan addresses those.

Mr. Roughan mentioned that retro commissioning (RCx) will also be important long-term if we move to lifetime savings calculations. Ms. Henschel indicated that the company has a new initiative about providing RCx to a broader audience and offered to provide more information on that to Chairman Powell and the Council.

Mr. Roughan commented that RCx really provided his organization with sustained savings and Chairman Powell mentioned that RCx is easier in commercial applications where there is a person dedicated to watching energy usage and that it’s important to figure out how to bring this to residential customers as well.

Ms. Verrengia asked if RCx is still available for schools/public bldgs. She also spoke to providing

MScheck certification for heat pumps, so there is an incentive to make sure heat pumps are performing

correctly given the performance drop-off with improperly installed equipment.

Chairman Powell asked for more presentations on best practices from other places, like Maine or Massachusetts, with prior experience in addressing these heat pump issues.

* 1. *National Grid presentation on System Reliability Procurement*

Mr. Chase provided an overview of what is covered under System Reliability Procurement (SRP), with a particular focus on Non-Wires Alternatives (NWAs) and also where SRP differs from both EE and Infrastructure, Safety, and Reliability (ISR) planning.

Chairman Powell inquired how electric vehicles and charging infrastructure related to SRP and wondered if transportation electrification could make feeder loading issues worse. Mr. Roughan. responded that this is why coordination with Power sector Transformation regarding time of use rates as well as demand response efforts will be so critical in order to avoid exacerbating these feeder and other capacity issues that SRP is trying to address.

Mr. Chase provided updates on the progress of the 2019 plan to date, with everything either on target or ahead of schedule so far. He also gave the Council an update on the drafting timeline for the 2020 SRP plan, which closely mirrors that of the EE plan.

1. **Special Topics**
	1. *Presentation on Income Eligible Energy Efficiency Programs*

Ms. Rodormer from National Grid introduced those who would be joining her to present (Mr. MacClellan, Ms. Vavak, Mr. Sneesby, and Mr. Rasco) and provided an overview of topics to be covered, then turned it over to Mr. MacClellan.

Mr. MacClellan reviewed the recent history of the program and the sources of funding for the income eligible/weatherization assistance program collaboration which breakdown as follows: ~$11MM for National Grid, ~$3.5MM from Health & Human Services, and ~$1.8MM from the Department of Energy’s (DOE’s) WAP.

Mr. Kravatz asked what protocols are being followed when carrying out this work and Mr. MacClellan said DOE standards were used for WAP and National Grid standards were used for Appliance Management Program (AMP) work. Mr. Guerard asked if using the DOE standards and letting those drive other programs/spending was the best course of action, given issues with time/effort involved to implement. Mr. MacClellan said that the DOE standards were the industry gold standard presently and that using them has been successful and well regarded and the quality of work has been very high.

Mr. Sneesby then presented some of the improvements made to the service delivered through these programs, including efforts to balance quality with increased demand. He also indicated that they are working on workforce training to replace aging auditors and on streamlining service delivery to reduce time lag between customer commitment and service delivery. Mr. Sneesby also requested that DHS participate more with the Council and the Technical Working Group. Chairman Powell reiterated that income eligible (IE) services are a priority of the Council.

Ms. Vavak then shared some of the specific outreach and marketing strategies the company is utilizing for IE customers. The company has embedded customer advocates in IE communities to provide more high-touch, personal service to this cohort and initial response has been positive.

Ms. Verrengia made a comment that saying “low -income” creates a stigma and that “income eligible” is a preferable term. Ms. Vavak said she’d heard that feedback from National Grid customers as well and they have utilized that in their marketing and messaging deliberately.

Mr. Guerard asked about DOE weatherization program and whether it was still paused as DOE reviewed auditing procedures and reporting. Mr. Sneesby responded that it was still operating but that the DOE wanted auditors to do a more thorough job and to approve all audits themselves, which has led to a large slowdown but not a full suspension of work.

* 1. *Update on the Eligibility Changes Made for the Small Business Program*

Mr. Richards shared that they have adjusted what the eligibility for qualifying as a small business is, with new threshold set at under 1 million kWh for the year. This made it easier for customers to understand and also allows the company to serve more people as 200 new customers now qualify as a result of this adjustment.

Ms. Verrengia asked if RISE will be reaching out to these customers who were previously ineligible to encourage them to engage again. Mr. Richards indicated that this outreach has already begun and that 20 customers have already proceeded with audits as a result.

1. **Council Business**
	1. *Discussion on the Council’s 2019 Annual Report to the General Assembly*

Mr. Guerard said that the annual report has not changed since his last reporting and that we are simply waiting for a quorum to vote on the report.

1. **Executive Director Report**

Commissioner Grant announced that the five (5) candidates for open Council seats have all submitted their required paperwork and they are all under consideration by the Senate with their approval likely to come before the rapidly approaching end of the legislative session. She indicated that they would all be strong additions to the group and that we are excited to welcome them to the Council soon.

1. **Public Comment**
	1. *Public Comment*

There were no public comments made.

1. **Adjournment**

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

The meeting was adjourned at 5:40PM.