



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL MEETING MINUTES

Thursday, November 21, 2019 | 3:30 - 5:30 PM

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

Members in attendance: Carol Grant, Chris Powell, Karen Verrengia, Butch Roberts, Kurt Teichert, Peter Gill Case, Joe Garlick, Roberta Fagan, Tom Magliochetti.

Others Present: Nick Ucci, Mike Guerard, Mark Kravatz, Sam Ross, Becca Trietch, Nathan Cleveland, Matt Ray, Matt Chase, Chris Porter, Joel Munoz, Sydney Usatine, John Richards, Kai Salem, Angela Li, Carrie Gill, Hank Webster, Craig Johnson, Mona Chandra.

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

1. Call to Order

Chairman Powell called the meeting to order at 3:33PM.

2. Approval of Council Meeting Minutes

Chairman Powell requested a motion to approve the October meeting minutes. Mr. Gill Case made a motion to approve minutes as written, and Mr. Roberts seconded it. All Approved.

3. Executive Director Report

a) General Update

Commissioner Grant updated the Council that Betsy Stubblefield Loucks was stepping down from her seat on the Council effective immediately due to time constraints. Commissioner Grant thanked her for service on the Council and indicated that the process for finding a replacement is underway.

The report stemming from the Division of Public Utilities and Carriers investigation into the gas outage on Aquidneck Island in January of 2019 was recently released (available here: http://www.ripuc.org/eventsactions/AI_Report.pdf) and Commission Grant suggested that anyone interested in the full findings should read the report in its entirety.

Lastly, Commissioner Grant mentioned the upcoming workshop on the Heating Sector Transformation initiative taking place on December 13th at the Department of Administration building at 10:00am. This is an opportunity for stakeholders to hear from the consultant and the agency leads on the development of this initiative and to engage with them and provide input on the development of the various pathways that will be developed, all with the ultimate goal of producing actionable strategies. All interested are encouraged to attend.

4. Chairperson Report

a) General Update

Chairman Powell reported that during today's meeting the Council will

1. Hear from National Grid about the 3rd quarter report on the Energy Efficiency programs.
2. Hear from the Consultant Team about their insights into the 3rd quarter report and performance of Energy Efficiency programs.
3. Review a timeline for the 2020 planning cycle, which will include revisions to the Standards, Target Setting, the Three-Year Plan, and the Annual Plan as well as a draft of 2020 meeting dates.
4. Hear an update on energy efficiency programming taking place in the state's municipally owned utilities.
5. Receive an update on the Market Potential Study being undertaken.
6. Discuss and vote on the extension of the Council's consultant team and legal services contracts.
7. Hear a brief update about the Council's communication work for 2020 with an invitation to participate for interested members.

Chairman Powell stated that as usual, for anyone who wants to make a public comment at today's meeting please sign-up near the food and drinks. There will be one general comment period at the end of the meeting for any comments.

Chairman Powell noted that because at least one member has to leave early, and to ensure a quorum for the votes on the agenda, he asked for a motion to amend the agenda to move the two voting items, on extension of Council consultant team and consultant legal services, up in the agenda to take place after item 5c. Ms. Verrengia made a motion to amend the agenda as discussed and Mr. Garlick seconded. All voted to approve.

5. System Reliability Procurement Oversight

a) National Grid Presentation on the Energy Efficiency Quarter 3 Report

Please refer to the [Energy Efficiency Third Quarter Results](#) presentation and the [National Grid Third Quarter Highlights](#) document.

Mr. Porter briefly introduced Mr. Ray and let the Council know that he had recently been promoted to a new management role within the Customer Energy Management team and would now be attending Council meetings in Ms. Henschel's stead. He then turned the presentation over to Mr. Richards.

Mr. Richards reviewed the quarter 3 performance slides, by sector, indicating where the Company was performing well and some drivers of the stronger performance as well as areas where performance was behind expectations and some strategies the Company was undertaking to improve those numbers before the end of the year.

Ms. Li then reviewed the residential quarter 3 report highlights including touching on the Connected Solutions program progress, which was positive and the fact that the Company had exceeded its air source heat pump goal for the year through quarter 3.

Ms. Chandra then reviewed the highlights from the commercial and industrial sector. She pointed to the recently completed Barrington Middle School project as a significant achievement in their new construction program and highlighted their increased work in the grocery space through several extensive projects at Rhode Island supermarkets. The small business program also had some notable successes with significant projects at an animal shelter and a car dealership as well.

b) Consultant Team Comments & Council Discussion on Nation Grid Quarter 3 Reports

Please refer to the [Consultant Team Third Quarter Results](#) presentation.

Mr. Johnson reviewed the quarter 3 results and compared them to historical program performance through three quarters going back to 2015. In the gas portfolio, all sectors are expected to meet or exceed goal in 2019 and performance is within or above historical averages. In the residential portfolio, progress through quarter 3 is behind historical averages for all sectors and very strong performance is required in each to hit goals. While this strong quarter 4 performance is not uncommon for many sectors, it would take a better than historic performance for most electric sectors to achieve their 2019 goals. One of the big drivers for this is likely lower lighting savings, which are behind historical averages and are typically the biggest driver of savings.

c) Review Draft Process Timeline for 2020

Please refer to the [Key 2020 EERMC Milestones](#) slide.

Mr. Kravatz reviewed a draft timeline of the 2020 planning cycle and focused on the increased number of activities that would need to be undertaken by the Council, and the resulting tighter timelines needed to turn that work around.

He discussed key dates for the potential study, the standards updating process, the three-year target-setting process, the three-year plan approval process, the annual plan approval process, and discussed how all of these activities are interrelated and build off of each other in many ways.

Chairman Powell noted that once the 2020 meeting schedule is set, Council members who will be unable to attend a meeting should be sure to inform Ms. Trietch so that we can always ensure we have a quorum given the number of votes needed in 2020.

6. Council Business

a. (previously item 7d on the agenda) Council Discussion and Vote on the Extension of Consultant Team Services for 2020

Mr. Teichert asked what metrics, if any, the Council has on the consultant team performance. Ms. Trietch indicated that the scope of work for the consultant team outlines the duties and deliverables they should be held to by the Council.

Mr. Gill Case asked if there was any sort of annual review process, other than this discussion, on the consultant performance. Commissioner Grant indicated that the Office of Energy Resources (OER) is constantly engaging with and checking-in on the consultant team throughout the year and wouldn't recommend an extension if there were significant concerns or issues with their performance.

Mr. Garlick asked if OER could provide a written recommendation to the Council in the future to aid in their decision-making.

Ms. Verrengia made a motion to have the EERMC attorney draft a one-year contract extension letter before December 31, 2019 and to have the Chair and Optimal Energy execute that extension letter after a Scope of Work for 2020 has been approved by the Council. Mr. Garlick seconded the motion, and all voted to approve.

b. (previously item 7e on the agenda) Council Discussion and Vote on the Extension of Legal Services for 2020

Ms. Trietch gave a brief summary of the services that the Council's legal counsel provides each year. She also explained that the original contract with Desautel Law was structured to allow for up to two (2) one-year extensions. If this extension is granted, all two possible extensions will have been used.

Mr. Gill Case made a motion to direct the Office of Energy Resources to draft a one-year contract extension letter as soon as possible and direct the Chair and Marisa Desautel to execute the extension letter prior to March 31, 2020. Ms. Verrengia seconded the motion, and all voted to approve.

7. Special Topics

a. Update on Energy Efficiency Efforts in Pascoag and Block Island Utility Districts

Please refer to the [Energy Efficiency Programming – Pascoag and Block Island Utility Districts](#) presentation.

Mr. Cleveland provided an overview of the efficiency programming taking place in Pascoag Utility District and highlighted the ways in which OER, through both financial and technical supported, has helped to advance those efforts in recent years. A multi-year strategy was developed to provide guidance on how to grow and scale the Utility's efficiency efforts, increase access, and best serve customer needs.

Mr. Johnson spoke to some of the programmatic and reporting changes that were put into place after Optimal began working with Pascoag as their energy consultant in 2019. The tracking and reporting mechanisms for savings and benefits have been vastly expanded and the program offerings have been streamlined to reduce administrative burden and provide more flexibility in serving customer demand.

Mr. Cleveland then provided an update on the developments in efficiency programming on Block Island. After OER ran a successful efficiency program pilot from 2015-2017, the utility was sold and re-established as a non-profit, municipally-owned utility district in early 2019. As part of their new mission, the Block Island Utility District is establishing an efficiency program that advances the efforts undertaken in the pilot programming and is supported by the proposed new rate design. Their focus will be on providing audits and weatherization measures to customers, promoting electric heat pump technology for heating & cooling as well as water heating, and in building the foundations for a successful and long-lasting efficiency program.

8. Council Business Continued

a) (previously item 7a on the agenda) Update on the Potential Study

Please refer to [Market Potential Study Update](#) presentation.

Mr. Ross provided an update to the Council on the ongoing progress of the market potential study. While there are no results yet, progress on the modeling is on schedule and the Market Potential Study Management Team has been engaged with the consultants frequently and has been getting regular reports on progress.

He then described the various buckets of output that the potential study will provide and what the most relevant areas of focus for the Council should be when using that information to inform the target setting process in early 2020.

He then provided an overview of key deliverable dates, most notably draft results by the end of January 2020 which will be shared with the Council as soon as available. He also mentioned that upcoming one-on-one meetings between Council members and the C-Team will include more in-depth conversation around the Potential Study as well.

b) (originally item 7b on the agenda) Council Review and Discussion on the Council's Q3 Budget Report and a proposed 2020 Budget.

Please refer to the [2019 Quarter 3 Budget](#) and [2020 Proposed Budget](#) documents.

Ms. Trietch reviewed the quarter 3 budget with the Council, indicating that there is still a large amount of money in there now, but it will be spent down significantly now that the Potential Study is underway.

She then walked through the development of the 2020 budget and the proposed 2020 line items in that budget. Ms. Verrengia suggested that additional ideas would be welcome for how to allocate the Public Education funds in 2020.

Ms. Trietch reminded Council members about the line item for covering travel expenses and reminded Council members that they can submit to have their travel expenses to and from meetings covered for those who are interested.

She also indicated that given the importance of Potential Studies for informing program targets, the Council would ideally be putting aside money now to fund the next study to inform planning in 2027 and beyond, and that line item has been set at \$100,000 per year.

c) (previously item 7c on the agenda) Council Review and Discussion of draft workplan for 2020 Consultant Services

Please refer to the [2020 Proposed Scope of Work](#) memorandum

Mr. Guerard briefly highlighted the proposed scope of work for 2020, indicating that the scope of work remains largely the same but that additional time will be needed because of the standards review, target setting, and three-year planning process that will be taking place next year.

d) (previously item 7f on the agenda) Council Discussion on proposed 2020 EERMC Meeting Dates

Ms. Trietch indicated that the 2020 Meeting dates were still tentative, as OER, the C-Team, and National Grid are still discussing the timing needed to complete all of the various planning activities in 2020 and want to ensure Council members will have ample time to review materials in advance of meetings. She indicated that this means that some meetings will likely not occur on the traditional third Thursday of the month but that a more formalized set of dates will be proposed at the December meeting. She encouraged Council members with specific feedback on the current draft to share their feedback as well.

e. (previously item 7g on the agenda) Council Discussion on the Communications Work

Ms. Trietch informed the Council members, especially for the benefit of the newer members, about the ongoing communications and outreach work conducted and encouraged those interested in

helping brainstorm ways to better engage the public and utilize the public education dollars in the budget to let her know if they want to participate.

Ms. Verrengia indicated that it was a great way to continue to remain engaged with a key mission of the Council.

9. Public Comment on All Topics

No public comment.

10. Adjournment

Chairman Powell requested a motion to adjourn the meeting. Mr. Teichert made a motion and Ms. Verrengia seconded it. All Approved.

The meeting was adjourned at 5:40PM.