



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL MEETING MINUTES

Thursday, June 3, 2021 | 3:00 - 4:00 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

Members in attendance: Anthony Hubbard, Karen Verrengia, Peter Gill Case, Nick Ucci

Others Present: Nathan Cleveland, Dr. Becca Trietch, Mike Guerard, Marisa Desautel

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

1. Call to Order

Acting Chairman Hubbard called the meeting to order at 3:02pm

2. Executive Director Report

Commissioner Ucci provided an update on the Least Cost Procurement (LCP) legislation currently in front of the legislature. The submitted bill passed the Senate on Tuesday, and that bill text primarily focuses on extending LCP out to 2035. The other change in the bill changes the funding formula for regulatory funding for both the Office of Energy Resources (OER) and the Council. As proposed and passed through the Senate, the bill would increase the overall regulatory allocation from 2% to 3% of the System Benefit Charge collections in a given year, and then also change the split of that pool of funds from an even split between the two organizations to one that is split 60% to 40% in OER's favor. However, based on the increase in the overall percentage of funds collected, the Council would receive increased funding relative to prior levels, should this pass.

Commissioner Ucci noted that the bill is currently in the House Environment Committee and will now work its way through the House review process and ideally it is passed on the House floor as designed.

Mr. Gill Case asked about what the historical split and level of funding for both organizations from this funding source has been.

Commissioner Ucci replied that the funding pool was set at 2% when first introduced, and originally was split 60% to 40% in favor of the Council. That formula was amended about 4 or 5 years ago to split the funds evenly between the organizations, and this pending legislation would modify the split to 60% to 40% in OER's favor, alongside the growth of the overall regulatory allocation from 2% to 3%.

Acting Chair Hubbard stated that he was certainly supportive of OER and its funding needs, but notes that this would be the first time the Council is hearing about this change. He felt that messaging could have been better if the Council had heard about it as part of bill development, rather than after having passed Senate floor.

Commissioner Ucci noted that the Sub A legislation only came out a week before the Senate vote and fell between Council meetings, and that he intends to address the full Council at the next meeting now that this is all public information.

Ms. Verrengia agreed with Acting Chair Hibbard on the messaging aspect, but stated that she is supportive of this this new direction while noting that there is some concern from her on the continuing trend of the Council percentage of funding declining.

3. Council Business

a) Review & Discuss 2021 Consultant Scope of Work & Budget

Mr. Guerard provided an update on consultant team activity so far this year and discussed potential changes to their scope of work and budget, pending Council approval. He noted that the first year of their scope of work assumed a normal schedule for just annual plan development and that the second and third years of the scope have additional work included in them like setting targets and developing a Three-Year Plan as well. However, he noted that this has not been that normal year they had expected for the following reasons:

1. The Public Utilities Commission (PUC) rulings on the 2021 annual plan extended 4 months into 2021, whereas that work is usually all concluded in the prior year. The Performance Incentive Mechanism (PIM) redesign was a big part of that, and the assumption in our their submitted scope of work and budget was for their work in front of the PUC to come at the back of the year for filing of 2022 plan.
2. The pending sale of Narragansett Electric Company may disrupt the planning process and/or Rhode Island's ability to leverage National Grid Massachusetts relationships, and while this is still unclear, it needs figuring out and may impact timelines and other resources.
3. State policy and legislative developments – particularly the Act on Climate – and other pending bills may or may not impact Council operations.
4. All of these taken in concert may have ripple effects on the planning process for 2022 as well to make that more complicated than anticipated last year when the scope of work and budget were developed.

Mr. Guerard indicated that he was seeking feedback on what information the full Council may want in order to support a scope of work and/or budget change and if the Executive Committee felt they would have an appetite for this conversation. He indicated he would love to present something to full Council at the June meeting.

Mr. Guerard started by suggesting that they could structure this as an increase to the total budget with a not-to-exceed amount that would allow the consultant team to address the uncertainty forthcoming, with an understanding that any increase is used only if needed.

Acting Chair Hubbard indicated that it would be useful to track and share our overall progress in planning/activities this year compared to last year (i.e. what work has carried over into this contract from last year that is impacting the budget).

Ms. Verrengia felt it would be important to explain all the variance from what the expectations were given the uncertain year we've had to date and that it would be important to underscore the remaining future uncertainty/ripple effects and how that makes things challenging to accurately provide an updated dollar amount.

Acting Chair Hubbard noted that it may be alarming, especially for the full Council, is a conversation around the modifying the scope of work/budget so soon given the depth of conversations during the selection process especially. He noted that changing things so soon may be cause for concern and felt it would be important for the consultant team to be prepared to strongly address those questions/concerns with evidence as to both what the changes are and how those were unforeseen.

Ms. Verrengia noted that it might be helpful to provide historical information as well to allow for comparison between like years, years in which increases were not required, etc. to show trends over time and difference in expectations versus the current reality.

Mr. Gill Case commented that it would be helpful to try and establish a menu that seeks to quantify the impact of the unexpected events on your budget – e.g. because this happened X hours needed to be devoted to this task that were unexpected - which allows for the Council to gauge those impacts and allow for Council to perhaps prioritize among the remaining tasks and how best to mitigate these impacts to the scope of work and budget moving forward.

b) Discuss 2021 Council Meetings, Deliverables, & Council Member Education Efforts

Please refer to the [EERMC Special Topics List for 2021](#)

Dr. Trietch reviewed the list of special topics that circulated before this meeting and asked for any feedback on those in terms of what to prioritize or any additions to that list, as well as any general thoughts about meeting structure/timing/adjustments.

Acting Chair Hubbard stated he felt the streamlined meetings have been effective and enforcing time limits has helped as well, with other Council members at the retreat seeming to agree. He felt that we would likely want to prioritize equity, either as a stand-alone topic or in the context of another topic. He also asked if the workforce presentation had been bumped several times?

Dr. Trietch indicated that yes, workforce development was intended to be part of a meeting last year and was skipped. National Grid likely needs to do more thinking about what their plans are for this topic before presenting anything.

Mr. Gill Case confirmed that he felt meetings have been much more streamlined and effective, recommending we keep that focus moving forward. Regarding the special topics he felt we may be able to address several of them at the Fall retreat to take some pressure off. He also feels it would be helpful to better understand the Office of Energy Resources and Council relationship

both historically and moving forward given the close working relationship between the two organizations.

Acting Chair Hubbard also felt the retreat was structured about the right length and exceeded his expectations for the event, which makes him hopeful for the Fall version of the retreat.

c) Discuss Future Executive Committee Meeting Agendas & Meeting Minutes

Dr. Trietch asked that the Executive Committee join the full Council meeting on June 17th a few minutes early to approve minutes from this meeting. Also noted that Council members should feel free to send any thoughts or ideas for future Executive Committee meetings to her at any time prior to the next quarterly meeting.

4. Public Comment

None

5. Adjournment

Acting Chairman Hubbard moved to adjourn the meeting. Mr. Gill Case seconded the motion and there were no objections. Meeting adjourned at 3:43pm.