

# Memorandum

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To: Energy Efficiency & Resource Management Council  
From: Sam Ross, Optimal Energy  
Date: April 27, 2022  
Subject: Revised 2022 Scope of Work Content, Objectives, and Budget

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## I. Introduction

Optimal Energy, LLC. and its partners (collectively the Consultant Team or C-Team) appreciate the opportunity to continue serving the Rhode Island Energy Efficiency and Resources Management Council (EERMC or Council) with high quality policy and program consultant services. The Consultant Team provides the following revised Scope of Work (SOW) for its services to the EERMC in 2022 to be responsive to the rulings issued by the Rhode Island Public Utilities Commission (PUC) at its Open Meeting held on January 25, 2022, as well as input from the Council at the March EERMC meeting. This SOW, if accepted and approved by the Council, would serve to replace the SOW for 2022 approved by the Council at its meeting on December 9<sup>th</sup>, 2021<sup>1</sup>. Furthermore, the associated budget would be inclusive of work completed and billed to-date. The revised SOW retains a clear focus on the key activities delivered in 2021 in service of the Council's statutory obligations, including program implementation oversight and program planning activities. We have developed this revised SOW with an emphasis on delivering the key activities at a similar budget to what was approved for 2021. During implementation of our work plan, coordination with other stakeholders, including the entity implementing energy efficiency programs, the Office of Energy Resources (OER), the Division of Public Utilities and Carriers (DPUC), among others, will be critical to align efforts; build consistent approaches to planning; streamline delivery; and foster effective collaboration and partnership as the clean energy industry enters a new phase of rapid evolution. The C-Team also recognizes the need to be efficient with how it represents the Council in all meetings and events covered in this SOW and is committed to an approach that aligns staffing levels with need.

The C-Team also understands that the prior organizational schema of how our work was billed was at times confusing. In our originally revised SOW that we shared with the Council at its February and March meetings<sup>2</sup>, we committed to re-examining our invoice structure to further clarify our work streams and deliverables. This revised SOW reflects the outcomes of that process. The structure of the work plan now aligns with the organization of our invoices to reduce work area overlap. The revised organization is detailed in Section II of this document.

The primary changes reflected in this revised SOW compared to the originally approved SOW are as follows:

- Section II. 2022 Work Plan
  - Reorganized tasks and subtasks to clearly align with how work is conducted and will be billed
- Section III. Staffing and Budget
  - Overall Consultant Team budget has been reduced to \$659,529

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<sup>1</sup> [http://rieermc.ri.gov/wp-content/uploads/2021/12/2022-eermc-c-team-proposed-sow\\_2021.12.02.pdf](http://rieermc.ri.gov/wp-content/uploads/2021/12/2022-eermc-c-team-proposed-sow_2021.12.02.pdf)

<sup>2</sup> [http://rieermc.ri.gov/wp-content/uploads/2022/03/2022-eermc-c-team-revised-sow\\_2021.03.17.pdf](http://rieermc.ri.gov/wp-content/uploads/2022/03/2022-eermc-c-team-revised-sow_2021.03.17.pdf)

- Administrative rate of \$80/hour has been added to cover administrative work streams, which are described in more detail in Task 6 of the 2022 Work Plan
- Commitment to holding included rates constant for any extensions of existing contract
- Updated Organizational Chart
- Updated presentation of hours and budget table
- Confirmation that an intern candidate has been hired through the URI Energy Fellows Program as the EERMC's inaugural Mike Guerard Energy Fellow

Section II of this memo, 2022 Work Plan, summarizes the Consultant Team's work plan organized by task and subtask. Section III, Staffing and Budget, provides information on the Consultant Team's staffing and includes an estimate of the budget that would be necessary to support our proposed 2022 SOW.

## II. 2022 Work Plan

As noted above, this section of our work plan showcases the improved organizational schema we have developed. The revised list of Tasks below reflects the prioritization of the EERMC's legislated responsibilities and obligations.

Task 1 – Energy Efficiency Program Planning and Implementation Oversight

Task 2 – System Reliability Procurement

Task 3 – Regulatory Proceedings

Task 4 – Council Sponsored Meetings and Materials

Task 5 – Research, Analysis, and Other Council Support

Task 6 - Administrative

Task 7 – EERMC Intern

To ensure clarity and transparency, we have organized our work plan with sub-tasks under several of the Tasks, which break out work streams that are relatively discrete from the overall Task. In the remainder of this section, we present the tasks and sub-tasks and describe associated responsibilities and deliverables.

### Task 1 – Energy Efficiency Program Planning and Implementation Oversight

Task 1 includes activities necessary to meet the Council's fundamental objectives, which are to oversee the design and successful delivery of energy efficiency programs and services that maximize the resulting benefits for all Rhode Islanders. Our approach will ensure that the EERMC continues to achieve the clearly documented objectives for energy efficiency plan development and delivery codified by the PUC in the Least Cost Procurement (LCP) Standards, including detailed review of energy efficiency plans to ensure that proposed costs are reasonable and justified to assure cost-efficiency as well as cost-effectiveness. Our proposed work under Task 1, which is described in further detail below, is comprised of council representation, implementation oversight and plan development, and education initiatives.

### Task 1.1 – Council Representation

Under Task 1, the C-Team will represent the Council at a variety of meetings related to program planning and oversight. First, the C-Team will represent the Council and participate along with other stakeholders at up to eight regularly scheduled Energy Efficiency TWG (EE TWG) meetings. Second, we propose to staff one C-Team member as an active listener in all Equity Working Group (EWG) proceedings in 2022 so that we may report back to the EERMC relevant updates associated with commitments made in the 2022 Annual Energy Efficiency Plan (2022 EE Plan). The C-Team plans to be a passive attendee at the quarterly EWG meetings (unless explicitly invited to participate in specific conversations) to ensure the original intent of the EWG, to bring new voices and perspective to energy efficiency program planning, is honored. Finally, the C-Team will represent the Council in all necessary meetings with the OER and National Grid to fully support EERMC-related activities and responsibilities, ensure all deliverables meet deadlines that allow for adequate Council review and feedback, and to prepare for upcoming Council meetings.

### Task 1.2 – Implementation Oversight and Plan Development

Under this subtask, the C-Team will engage in a variety of activities that are at the core of ensuring energy efficiency programs are developed and implemented in a manner consistent with LCP and with the Council's and stakeholders' interests in mind. The activities include sector strategy and program oversight, evaluation, measurement and verification (EM&V), annual plan development, and stakeholder engagement.

With respect to the first work area, the sector strategy and program oversight team is primarily responsible for ensuring that the 2022 programs are delivered according to the PUC approved 2022 EE Plan. The C-Team uses a two-pronged approach which includes ongoing monthly data review and monthly strategy calls with National Grid, OER, and the DPUC at their discretion. On a monthly basis, the C-Team reviews raw program data received from National Grid and incorporates it into a monthly data report which it reviews and shares with National Grid, OER, and DPUC. In its review, the C-Team will flag areas of concern and needed improvement, and where appropriate make recommendations for optimizing and improving program performance. The C-Team also coordinates monthly sector strategy meetings for each of the Residential & Income Eligible and Commercial & Industrial sectors, for a total of twenty-four regularly scheduled meetings. Monthly meeting topics generally include, but are not limited to, review of 2022 EE Plan commitments, program performance data review, and special topics on an as-needed basis.

The second work area, EM&V, includes reviewing and providing technical feedback on in-progress studies as well as the scopes of work for upcoming studies. The C-Team meets with National Grid, OER, and DPUC, at their discretion, twice per month to check-in on these items, once each for the Residential & Income Eligible and Commercial & Industrial studies. On an as-needed basis, the C-Team will also hold or participate in meetings with study vendors to address any concerns identified in the review of study design and results materials. One of the key goals of the EM&V work stream is to ensure consistency of study development, review, and approval so that results of each study can be actionable and help in guiding annual plan development. Another key goal for the C-Team's EM&V efforts is to leverage studies from other jurisdictions that can be applied to Rhode Island in order to benefit from evaluation study results without incurring additional costs to ratepayers.

Third, to ensure the 2023 Annual Energy Efficiency Plan (2023 EE Plan) is developed in a manner consistent with LCP and reflects the Council's and other stakeholders' priorities, the C-Team will review and provide feedback on

all plan materials, including the main text and all attachments of the 2023 EE Plan narrative, benefit cost and rate and bill impact models, the Technical Reference Manual (TRM), as well as the 2023 EE Plan Outline Memo and Interim Updates. During plan development, the C-Team will meet regularly with the sector strategy groups between April and October, including a series of deep dive meetings on a variety of key topics crucial to the advancement of energy efficiency. The C-Team will also engage with National Grid, OER, and DPUC on other planning topics on an as-needed basis.

Finally, the C-Team will meet individually with active energy efficiency stakeholders on behalf of the Council on a regular or as-needed basis throughout the year to ensure their priorities and thoughts on program design and strategies are given due consideration in the development and implementation of annual energy efficiency plans.

### Task 1.3 – Education Initiatives

To fulfill the Council’s legislated public education objectives, the C-Team proposes to support an array of EERMC education activities in 2022. The C-Team will continue to oversee, manage, and assist OER and/or National Grid in organization and promoting the following efforts:

- **Annual EERMC Public Forum and EERMC Energy Lecture Series:** These events are designed to promote public understanding and stakeholder dialog around key energy efficiency and related issues that impact Rhode Islanders today
- **EERMC Educational Video Series:** Currently under development, this collection of eleven short-format videos targets the general public and covers topics from understanding your utility bill to decarbonization, with specific tailoring to Rhode Island
- **Energy Training for K-12 Educators:** This work provides a Rhode Island-specific energy curriculum and training to K-12 teachers and students, including content on energy efficiency, renewables, climate science, energy justice, and public health
- **Energy Expo at the Rhode Island Home Show:** This effort ensures that energy is a focal point of this major show, allowing Rhode Islanders to connect face-to-face with local energy vendors who can help them learn about and implement clean energy measures in their homes
- **Combined Heat and Power (CHP) Public Meeting:** As one of the Council’s legislated mandates, this annual meeting gives CHP stakeholders the opportunity to provide feedback on the state’s CHP programs and policies and serves to inform CHP developers and potential customers of program details and updates

The C-Team will also continue to coordinate and facilitate the Education Working Group meetings and activities and will support any additional public education activities discussed and approved by the Council as part of its 2022 education budget.

### Task 2 – System Reliability Procurement

Task 2 is focused on the Council’s responsibilities related to System Reliability Procurement (SRP). This work is related to, but separate from, the Council’s core work around energy efficiency program planning and

implementation oversight (see Task 1). This includes representing the Council at up to twelve SRP Technical Working Group (SRP TWG) meetings as well as providing technical support in the development and oversight of SRP Plans.

### **Task 2.1 – Council Representation**

The C-Team will represent the Council and participate along with a number of core stakeholders at monthly SRP TWG meetings and other meetings as may be scheduled from time to time regarding SRP.

### **Task 2.2 – Plan Development and Oversight**

The C-Team will continue its work supporting and overseeing implementation of the 2021-2023 SRP Plan. For 2022, the C-Team anticipates an increase in time required to support several important SRP developments anticipated for 2023. First, along with OER, the Consultant Team has initiated discussions related to benefit-cost methodologies for Non-Wires Alternatives (NWA) and Non-Pipes Alternatives (NPA) in 2021 which we anticipate building upon in 2022. Second, in fall 2021 National Grid committed to continuing to improve upon the analyses and models used to explore internally-sourced NWA solutions such as targeted efficiency, demand response, solar, and storage. This new work stream is anticipated to expand in 2022 as the collaborative effort to establish best-practice methodologies for such analyses hits its stride. Similarly, the development of the NPA program will accelerate in 2022, including the need to establish clear planning expectations to ensure that the program is fully developed on time for National Grid’s proposed 2023 deadline.

## **Task 3 – Regulatory Proceedings**

Task 3 represents the C-Team’s focus on ensuring that the Council meets its statutory obligations with respect to the 2023 EE Plan filing and to make sure that the Council’s views are represented in all relevant regulatory proceedings. To achieve this, the C-Team will represent the Council at a variety of regulatory proceedings and develop and review relevant technical material, each of which is described in more detail below. The 2022 work plan anticipates a level of time and resources for regulatory proceedings that is similar to the support provided during 2021.

### **Task 3.1 – Council Representation**

The C-Team will represent the Council at all relevant PUC technical sessions, hearings, and open meetings. For PUC technical sessions, the C-Team anticipates representing the Council in at least two pre-filing and two post-filing meetings. Such meetings are typically geared toward clarifying questions and discussions related to the intent and processes that result in filed materials (for pre-filing meetings) and review of said filed materials (for post-filing meetings). In addition, there have at times been technical sessions to engage in more detail with questions that arise during hearings. Once an EE Plan has been filed with the PUC, the PUC will conduct a series of hearings in which intervening parties may be cross-examined. As it has in years past, the C-Team plans to represent the Council during EE Plan hearings, up to and including providing direct testimony in front of the PUC. When not providing direct testimony, the C-Team will monitor the hearings and report back relevant information to the Council. Finally, between and at the conclusion of plan hearings, the PUC regularly holds open meetings where the Commissioners will discuss and potentially rule on certain aspects of the EE Plan. The C-Team will monitor these meetings and will report back any relevant conclusions to the Council.

### Task 3.2 – Develop and Review Technical Materials

To support the Council in development and review of technical materials related to the 2023 EE Plan, the C-Team proposes four key work streams. First, in accordance with LCP Standards, the C-Team will conduct a detailed analysis on the proposed 2023 EE Plan to determine cost-effectiveness and will work with OER and the Council’s Attorney to submit a report on its findings to the PUC on behalf of the Council. Second, and only if necessary if the Council decides to not endorse the 2023 EE Plan, the C-Team will prepare a report that documents the Council’s reasons and will submit comments on behalf of the Council to the PUC for its consideration during plan proceedings. Third, the C-Team will coordinate with OER and the Council’s Attorney to review and respond to any information requests directed to the Council as part of the plan proceedings. Finally, the C-Team will track and review responses to information requests of other intervening parties where appropriate as it relates to Council interests.

## Task 4 – Council Sponsored Meetings and Materials

Task 4 is centered around providing technical support for Council sponsored meetings. This includes appropriately staffing Council sponsored meetings, developing materials, and supporting other Council responsibilities.

### Task 4.1 – Meeting Attendance

The C-Team will appropriately staff all Council sponsored meetings, including thirteen scheduled EERMC meetings, at least one meeting of the Executive Committee as required per Council by-laws, and up to two additional meetings to support Councilor education and engagement as they perform their assigned roles and responsibilities. In addition to staffing meetings, the C-Team will be prepared to present and provide input on critical topics and key points for Council deliberation.

### Task 4.2 – Develop Materials

In advance of all Council sponsored meetings, the C-Team will work with the Council and OER to identify whether C-Team materials may be needed to support Councilors’ engagement with and understanding of meeting content, or to ensure the Council’s legislated objectives are met. The C-Team will then develop all required meeting materials and work with OER to ensure that materials are distributed to the Council and other meeting attendees in a timely manner in advance of each meeting. This task includes materials that are developed for the Council on a recurring basis, including monthly updates to the Council’s annual timeline, quarterly updates on program activities, and Technical Working Group activity updates.

### Task 4.3 – Other Council Responsibilities

Beyond the items described in Tasks 4.1 and 4.2, the Council has some responsibilities that fall outside of the other Task areas described in more detail throughout this work plan. One of these responsibilities is the development of the statutorily required Annual Report to the General Assembly. The C-Team will coordinate with National Grid and OER to source and assemble the content of the Annual Report and will work with OER and the Council to ensure that the Annual Report is submitted in accordance with legislation. Further, this

subtask includes the C-Team’s support for the CHP Annual Public Meeting. As required by legislation<sup>3</sup>, the EERMC is to gather stakeholders to discuss opportunities and strategies around CHP in Rhode Island. As it has done in years past, the C-Team will coordinate with OER and National Grid in scheduling and hosting the meeting on behalf of the EERMC.

## Task 5 – Research, Analysis, and Other Council Support

The C-Team has been an early voice in many jurisdictions highlighting the imperative to work across areas of energy policy and programs that have historically existed in silos. The process of developing and managing plans that address the integration of cross-cutting solutions and approaches requires a team able to draw on experts across the spectrum of clean energy resources and policies. We will support Rhode Island’s continuing leadership in the evolving energy landscape by applying our engagement in a range of jurisdictions on issues including workforce development, heating decarbonization, equity in efficiency programs, locational valuation, and distributed energy resources. Our proposed approach to this includes representing the Council in meetings with the General Assembly, Executive branch agencies, ISO-NE, the Avoided Energy Supply Cost Group, as well as regional initiatives coordinated by groups such as NEEP. The C-Team will pair this representation with subject matter research on an as needed basis as requested by the Council.

The C-Team believes that well-informed and educated Councilors is an integral component of the EERMC delivering on its stated mandates. To ensure this, the C-Team is available to brief each voting Councilor and the non-voting representative for delivered fuels individually or in small groups<sup>4</sup>, as directed. When requested or necessary, the C-Team will work to ensure that briefings are conducted as efficiently as possible and are focused on the Council’s core deliverables. Given that there are several vacant seats on the Council that are expected to be filled in 2022, the C-Team also proposes to meet with, educate, and orient new Councilors to cover roles, responsibilities, and evolving efficiency issues.

## Task 6 - Administrative

The C-Team proposes to add a billing rate of \$80 per hour to cover a variety of administrative work streams. The C-Team expects that these hours will be fairly minimal as they will be used only in instances where staff are needed in a non-technical capacity. The following work streams will be billed under the administrative rate:

- **Meeting coordination and logistics:** Event planning work such as venue research and booking, food and drink planning, and venue setup.
- **Council website:** The C-Team is in the process of transitioning many of the Council website responsibilities to OER. Any work in assisting in this transition and/or work that the C-Team continues to support based on future conversations with OER will be billed under this task.
- **Quarter Progress Reports:** Develop and provide the Council with quarterly written progress reports covering deliverables, activities, events, and any scope additions or revisions.

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<sup>3</sup> <http://webserver.rilin.state.ri.us/Statutes/title39/39-1/39-1-27.7.HTM>; see Section 6(iv)

<sup>4</sup> The C-Team will ensure that a quorum is not met when meeting with small groups of Councilors.

## **Task 7 – EERMC Intern**

At its December 9, 2021 meeting, the Council approved the C-Team to engage an intern for the calendar year 2022 to fill the inaugural Mike Guerard Energy Fellow Internship. The internship provides workforce development opportunities for Rhode Island based college students. The intern will assist the EERMC and its C-Team in support of EERMC objectives and activities. For this year, we are working with Jesse Duroha, a PhD student from the University of Rhode Island (URI) through the URI Energy Fellow.

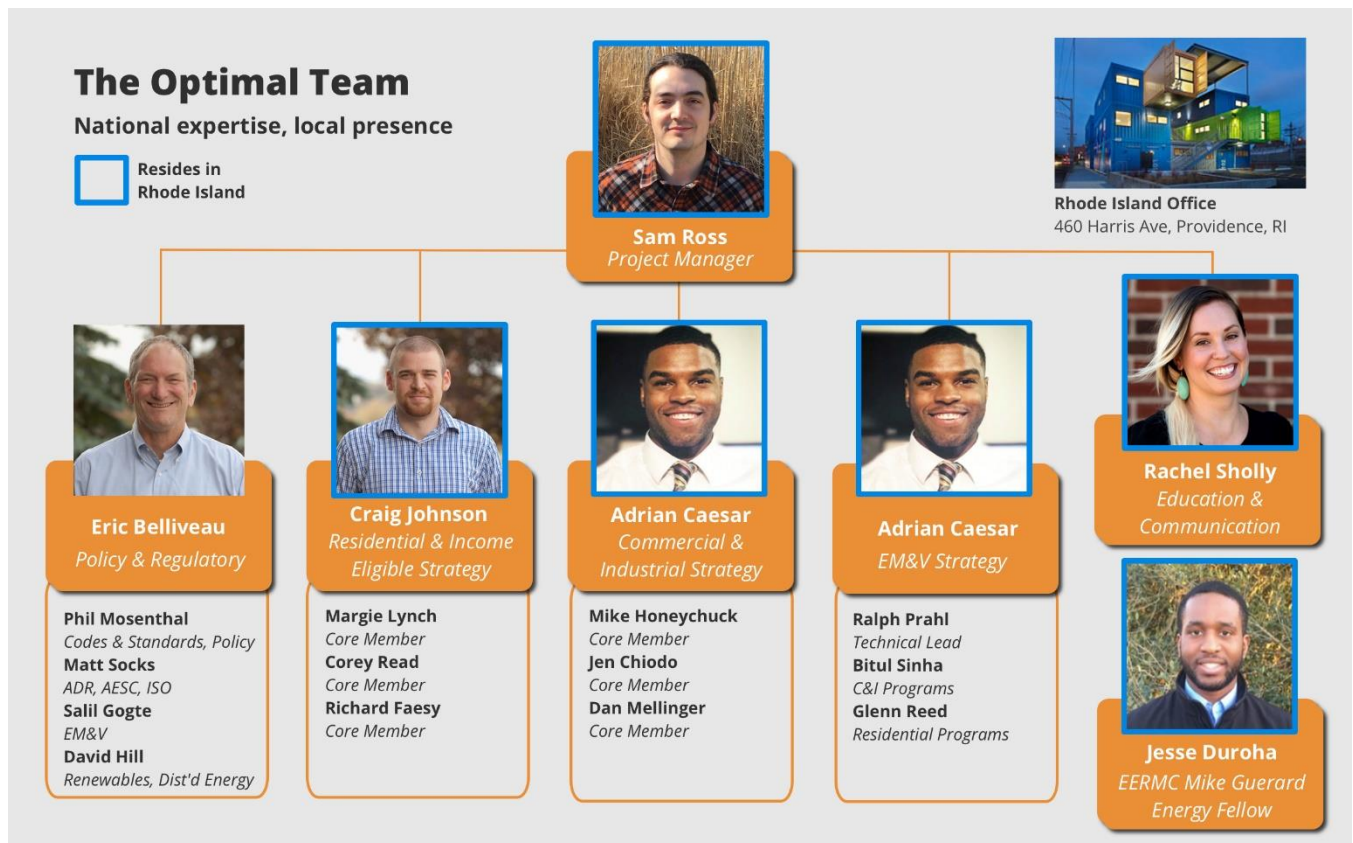


### III. Staffing and Budget

The Consultant Team will fully and effectively deliver all elements of this SOW. Work assignments and roles will remain flexible to assure that the right staff, skillset, and availability are in place on all tasks, as well as to address evolving issues.

#### Organizational Chart

Our staffing plan balances a core of members with proven track records, institutional knowledge, and well-established relationships while also enhancing and expanding the team to assure that evolving challenges and needs are addressed<sup>5</sup>. We organize our team into five groups covering the core roles and areas of focus, as shown in our organizational chart below. While each member is only listed in their primary areas of concentration, many team members actively participate in multiple groups.



<sup>5</sup> As in the past, Optimal may identify staff from our subcontractor firms and/or industry experts uniquely suited to support this scope of work, and will seek OER approval before adding resources not specifically named in the organizational chart.

## Budget

The proposed hours are tied to our billing rates that were approved for use in our 2021 SOW for 2021-2022:

Staff Title	Billing Rate (\$/hour)
Project Manager	\$198
Principal-in-Charge/CEO	\$212
Managing & Senior Consultant	\$198
Consultant	\$186
Senior Engineer	\$160
Independent Consultant	\$155
Analyst	\$135
Administrative Rate <sup>6</sup>	\$80
Interns	\$35

The C-Team also provides a list of rates by staff below. This list represents all known potential staff that the C-Team anticipates working on tasks included in this SOW. As noted in footnote 4, Optimal may identify additional staff from our subcontractor firms and/or industry experts uniquely suited to support this scope of work. The C-Team will share billing rates and seek approval from OER prior to adding these additional resources.

Firm	Staff	Title	Billing Rate (\$/hour)
Optimal Energy	Sam Ross	Project Manager	\$ 198.00
	Eric Belliveau	Principal-in-Charge	\$ 212.00
	Phil Mosenthal	Principal-in-Charge	\$ 212.00
	Matt Socks	Senior Consultant	\$ 198.00
	Cliff McDonald	Senior Consultant	\$ 198.00
	Craig Johnson	Consultant	\$ 186.00
	Adrian Caesar	Analyst	\$ 135.00
	Jesse Duroha	Intern	\$ 35.00
Energy Futures Group	Glenn Reed	Senior Consultant	\$ 198.00
	Richard Faesy	Senior Consultant	\$ 198.00
	Dan Mellinger	Senior Consultant	\$ 198.00
	David Hill	Senior Consultant	\$ 198.00
EcoMetric Consulting	Salil Gogte	Senior Consultant	\$ 198.00
	Mike Huneychuck	Managing Consultant	\$ 198.00
	Corey Read	Managing Consultant	\$ 198.00
	Bitul Sinha	Senior Engineer	\$ 160.00
JLC Consulting	Jen Chiodo	Managing Consultant	\$ 198.00

<sup>6</sup> The administrative rate will be used by members of the Consultant Team for specific invoice entries that reflect administrative work streams. Unlike other rates in this table, it is the work stream rather than the staff member in question that defines when the rate will be applied.

<sup>6</sup> The URI Energy Fellows program requires a minimum of 600 hours for internships, the EERMC Intern budget covers the costs for intern compensation, administrative support including fees to URI, and has the capacity to support incremental hours beyond this minimum amount.

Core Energy Insights	Margie Lynch	Consultant	\$ 186.00
Independent	Ralph Prah	Senior Consultant	\$ 198.00
Independent	Rachel Sholly	Independent Consultant	\$ 155.00

The Consultant Team commits to holding these rates constant for any future contract years for which the Council may choose to execute their contractual option to extend services under the current Rhode Island Policy and Program Consulting Agreement.

The table below represents the C-Team’s proposed hours and budget for the work contained in this SOW. The C-Team’s budget is on a time-and-materials basis with a not-to-exceed maximum of \$659,529<sup>7</sup>. If the C-Team is directed to conduct work that is considered out of scope, or that will lead to an overrun of the not-to-exceed amount, the C-Team will communicate this need and request Council approval before such work is started.

Tasks and Sub-Tasks	Total Hours	Total Cost
<b>Task 1: Energy Efficiency Program Planning and Implementation Oversight</b>	<b>2,092</b>	<b>\$ 367,078</b>
<i>Task 1.1: Council Representation</i>	154	\$ 29,280
<i>Task 1.2: Implementation Oversight and Plan Development</i>	1,748	\$ 308,348
<i>Task 1.3: Education Initiatives</i>	190	\$ 29,450
<b>Task 2: System Reliability Procurement</b>	<b>96</b>	<b>\$ 19,008</b>
<i>Task 2.1: Council Representation</i>	36	\$ 7,128
<i>Task 2.2: Plan Development and Oversight</i>	60	\$ 11,880
<b>Task 3: Regulatory Proceedings</b>	<b>390</b>	<b>\$ 72,380</b>
<i>Task 3.1: Council Representation</i>	94	\$ 17,862
<i>Task 3.2: Develop Technical Materials</i>	296	\$ 54,518
<b>Task 4: Council Sponsored Meetings and Materials</b>	<b>564</b>	<b>\$ 99,099</b>
<i>Task 4.1: Meeting Attendance</i>	187	\$ 33,598
<i>Task 4.2: Develop Technical Materials</i>	317	\$ 55,965
<i>Task 4.3: Other Council Responsibilities</i>	60	\$ 9,536
<b>Task 5: Research, Analysis, and Other Council Support</b>	<b>346</b>	<b>\$ 66,044</b>
<b>Task 6: Administrative</b>	<b>74</b>	<b>\$ 5,920</b>
<b>Task 7: EERMC Intern</b>	<b>600</b>	<b>\$ 30,000</b>
<b>Total</b>	<b>4,162</b>	<b>\$ 659,529</b>

*Note: The Consultant Team only bills for hours actually worked up to the total approved budget.*

<sup>7</sup> The budget associated with this SOW does not include any external cost items (e.g. facility and catering costs for EERMC-sponsored events). Should the C-Team be required to cover such costs, it will coordinate with OER before incurring expenses. Pending OER’s approval, the C-Team will submit receipts and request reimbursement for such costs in its monthly invoice.