



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

EERMC FULL COUNCIL DRAFT MEETING MINUTES

Thursday, September 29, 2022

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom.

Members in Attendance: Peter Gill Case, Sue AnderBois, Brett Feldman, Kate Grant, Joe Garlick, Kurt Teichert, Chris Kearns, Bob Izzo

Others in Attendance: Adrian Caesar, Sam Ross, Craig Johnson, Steven Chybowski, Marisa Desautel, Michael O'Brien Crayne, Emma Rodvien, Hank Webster, Nathan Cleveland, Margaret Hogan, Rachel Sholly, Josh Kessler, Jeremy Newberger, Jessica Darling, Karen Verrengia, Samantha Caputo, Audio participant

1. Call to Order

Vice Chair Gill Case called the meeting to order at 3:02 p.m.

2. Chair Report

Vice Chair Gill Case provided an overview of the meeting agenda and provided instructions for making public comments. He described his recent trip to the Gulf Coast to look at sites for 20 proposed new natural gas facilities. He noted that this energy efficiency plan will be prepared in this broader context of supply and demand and that the utility could choose to avoid developing additional natural gas infrastructure.

3. Executive Director Report

Interim Commissioner Kearns noted that the energy efficiency heat pump program administrator Request for Proposals was released last week and will be available until October 21st.

4. [Meeting Minutes - September 22, 2022](#)

Vice Chair Gill Case noted that in the previous meeting, he had requested a provisional spending plan for if the fuel cell project would not be approved. Council Member Garlick motioned to approve the meeting minutes with an amendment to add a note that Vice Chair Gill Case requested a provisional spending plan for if the fuel cell project would not be approved under Meeting Minutes item 6.a. Council Member AnderBois seconded. All in favor, none opposed.

5. Program Oversight (100 Minutes, 3:10 - 4:55 p.m.)

a. [Consultant Team Presentation on the Cost-Effectiveness Report for the 2023 Annual Energy Efficiency Plan](#) (10 min, 3:10 – 3:20 p.m.)

The Council's Consultant Team presented on the Cost-Effectiveness Report. Mr. Johnson provided an overview of the legislative purpose and requirement of the Report. He noted that the Consultant Team is still waiting on some final numbers from the benefit-cost (BC) models, but that they are not anticipating those changes to change the overall narrative or outcomes. Overall, the Consultant Team finds the Energy Efficiency Plan to be cost-effective and less than the cost of supply as currently proposed and that any anticipated changes should not change that narrative.

b. [Council Discussion and Vote on the Cost-Effectiveness Report](#) (5 min, 3:20 – 3:25)

Council Members asked for further explanation of how Home Energy Reports are cost-effective. The Consultant Team explained that it is a behavioral program that inspires energy customers to take action, and that the cost-effectiveness is a result of the generally low cost to administer the program. Vice Chair Gill Case asked for an estimate on how much the cost-effectiveness numbers might change with the final materials and Mr. Ross stated that while it remains to be seen, he would not expect changes beyond tenths of a point and that benefit-cost ratios greater than two are generally very strong. He also noted that these ratios are high due to using the social cost of carbon rather than the marginal abatement cost of carbon, which is a new proposal from the Company this year. Vice Chair Gill Case motioned to approve the cost-effectiveness report with the following amendments: that the consultants will have the opportunity to adjust the numbers based on the final BC Model and that the C-Team must come back to the Counsel if the outcome changes. Council Member Teichert seconded. All in favor, none opposed.

c. [Rhode Island Energy Presentation and Discussion of the Final Draft of the 2023 Energy Efficiency Program Plan](#) (20 minutes, 3:25 – 3:45)

Council Member Feldman presented on updates to the 2023 Energy Efficiency Program Plan. He noted that the fuel cell project has been removed from the EE plan, that some duplicate measures were identified and removed, that negative gas benefits were accounted for in the BC model, and that the Equity Working Group final report will be included as an attachment. He shared the overall budget numbers as compared to the 2022 plan and highlighted the redlined text changes based on these updates. The Company is also now proposing a new Large Commercial and Industrial New Construction Program pricing study to get a better understanding of costs on key products. Council Members asked about possible provisional spending with the removal of the fuel cell project and Council Member Feldman specified that the fuel cell project funding will be removed from the commercial and industrial retrofit programming and that they believe this plan is prudent for the Company to spend ratepayer funds. Council Member Teichert suggested that in possible future plans the Budget Management section could include actions for if there is a program underspend in a calendar year as the Council needs a better understanding of how to maximize the budget within a year.

d. [Consultant Team Presentation and Discussion of the Final Draft of the 2023 Energy Efficiency Program Plan](#) (20 minutes, 3:45 – 4:05)

Mr. Ross presented on key considerations with the final draft of the 2023 EE Plan. These considerations include that the C-Team has not received final numbers for review in time for the Council Meeting. He also noted that the fuel cell project will be removed and that the funds are not planned to be reallocated. Mr. Ross recognized that the Company has revised some of the cost assumption numbers, but that these numbers were not addressed in other

areas. He also noted that the Council had requested a provisional spending plan related to the fuel cell project, but that one was not provided. Mr. Caesar presented on the Commercial and Industrial quantitative changes. Mr. Johnson presented on the residential and income-eligible quantitative changes. He noted that some measure lives were adjusted in the final week and that they are seeking additional justification to explain these changes and inconsistencies between the electric and gas portfolios. Council Member AnderBois stated her concerns about extending the measure lives on gas programs which are now stretching out near the final Act on Climate targets. Mr. Ross commented that receiving underlying analyses from the Company is a process improvement and that it is appreciated to understand the numbers presented in the plan.

Mr. Ross reviewed the Council's legislative responsibility on endorsing the annual plan and the vote options available to the Council.

e. Public Comment on the 2023 Annual Energy Efficiency Plan (10 minutes, 4:05 – 4:15 p.m.)

Hank Webster, the Acadia Center

Mr. Webster stated that there are several areas that could be improved upon in this plan and that in Massachusetts, the program administrators are trying to push energy efficiency measures out the door ahead of this winter season in light of the high energy prices, but that we are not seeing the same efforts in Rhode Island. He noted previous weatherization program successes which could be promoted further this year as well as additional demand response programming. These programs could be built out to reach more customers and be more equitable.

f. Council Discussion and Vote on the 2023 Annual Energy Efficiency Plan (40 minutes, 4:15 – 4:55)

Ms. Desautel provided clarification on some of the vote options available to the Council. Council Member AnderBois expressed her support of endorsing the plan and her appreciation of the process improvements and transparency. She is looking to pinpoint the next three-year plan to make more substantial changes.

Council Member Izzo is supportive of the commitment to the incentives proposed in the plan and would like to see new, innovative developments pursued in the future such as fuel cell projects.

Council Member Garlick would like to see the Council and stakeholders continue to push on income-eligible programming and delivery.

Council Member Teichert acknowledged that this is a transitional year and that he expects the equity efforts to be taken to heart and moved forward. He feels that the plans are still below the goals of the three-year plan goals, but he is optimistic to see continuous improvement.

Vice Chair Gill Case stated that the change in Company ownership has been a factor this year, and that he applauds the transparency in the process this year. He was glad that the Company removed the fuel cell project now before filing the plan. He also appreciates the heavy lift that has been done by the Company's EE staff, but also feels that the Company does not have enough capacity in this space at this time. He wants to make sure that the System Benefit Charge is protected for energy efficiency investments.

Vice Chair Gill Case motioned to endorse the 2023 Energy Efficiency Plan as presented by Rhode Island Energy to the Council on September 29, 2022, allowing for non-substantive changes (typos, etc.) to be done prior to filing. Furthermore, the Council directs the Consultant Team to work with the Council to develop the list of concerns and directs its

legal Counsel to provide a signature page indicating the EERMC is a settling party to Rhode Island Energy prior to the October 1st filing deadline. Council Member Teichert seconds. All in favor, none opposed.

6. Public Comment

None.

7. Adjournment

Council Member AnderBois motioned to adjourn. Council Member Garlick seconded, and the meeting was adjourned at 4:43 p.m.

DRAFT