



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

## **EERMC FULL COUNCIL MEETING MINUTES**

**Thursday, July 20, 2023**

**Full Council Meeting | 3:00 – 5:00 PM**

Department of Administration Conference Room 2A, Providence, RI 02908 with remote participation via Zoom

**Members in Attendance:** Peter Gill Case, Sue AnderBois, Tom Magliochetti, Bob Izzo, Christopher Kearns, Joe Garlick, Brett Feldman, Kate Grant, Dave Caldwell, Priscilla De La Cruz

**Others in Attendance:** Nathan Cleveland, Jake Curran, Craig Johnson, Adrian Caesar, Rachel Sholly, Brendan Dagher, Jessica Reno, Michael O'Brien Crayne, Emily Koo, Dana Goodman, Lou Cotoia, Cheryl Boyd, Sam Ross (virtual), Daniel Tukey (virtual), Jordan Galluzzo (virtual), Nelson DiBase (virtual), Karen Verrengia (virtual), Glenn Rhodes (virtual), Serena Russell (virtual), Spencer Lawrence (virtual)

### **1. Call to Order**

Vice Chair Gill Case called the meeting to order at 3:05 p.m.

### **2. Chair Report**

Vice Chair Gill Case delivered the chair report, providing instructions for the public to submit public comment at the meeting. He also noted the additional meeting materials that were posted for Council review. Vice Chair Gill Case provided a refresher on Rhode Island Energy's Three-Year Plan. He provided an overview of the 2023 EERMC forum being organized by URI's Cooperative Extension, where the Council will sponsor workshops focusing on energy efficiency programming.

Acting Commissioner Kearns noted that he would have to exit the meeting early. As a result, the Council elected to adjust the agenda, with a new order of agenda items 1, 2, 3, 4, 5, 6a, 7, 6b, 6c, 6d. Vice Chair Gill Case motioned to re-order the meeting agenda. Council Member AnderBois seconded. All in favor, none opposed.

### **3. Executive Director Report**

Acting Commissioner Kearns reported that the \$25 million Clean Heat RI heat pump program will launch in mid-to-late August, as it is nearing the finish line program development. He noted that he will have more up-to-date details at the next Council meeting in August. The Clean Heat RI program will have its own dedicated website with different language options for customers. He then briefed the Council of the EC4 meeting on August

30<sup>th</sup> and where to find details for the meeting and provided federal funding home electrification updates.

#### **4. Meeting Minutes**

*a. May 1, 2023, LEAD Session*

Vice Chair Gill Case motioned to approve the May 1<sup>st</sup>, 2023, LEAD Session Meeting Minutes. Council Members AnderBois and Garlick seconded. All in favor, none opposed.

*b. May 18, 2023*

Vice Chair Gill Case motioned to approve the May 18<sup>th</sup>, 2023, Meeting Minutes. Council Members AnderBois and Garlick seconded. All in favor, none opposed.

*c. June 15<sup>th</sup>, 2023*

Vice Chair Gill Case motioned to approve the June 15<sup>th</sup>, 2023, Meeting Minutes. Council Members AnderBois and Garlick seconded. All in favor, none opposed.

#### **5. Special Topics (15 min, 3:10 – 3:25 p.m.)**

*a. Rhode Island Builders Association Home Show Presentation (15 min, 3:10 – 3:25 p.m.)*

Representatives of the Rhode Island Builders Association presented final statistics for the 2023 RI Home Show and Energy Expo. Mr. Catoia began the presentation reiterating that they believe the relationship between the RIBA and the EERMC is a collaboration, not a sponsorship. The funds are used towards prime space for the Energy Expo at the entry concourse. Mr. Catoia then played the video that was filmed at the 2023 Home Show. After the conclusion of the video, the RIBA team presented statistics in comparison to prior years, noting increased attendance from the previous year. Mr. Catoia also pointed out that there were over 1,500 students participating in the set up and take down of the Home Show. The entire concourse was dedicated to energy with coordinated messaging with RI Energy. Council Member Feldman also mentioned that over 250 attendees signed up for energy assessments at the Home Show.

#### **6. Program Oversight (60 min, 3:25 – 4:25 p.m.)**

*a. Regional Greenhouse Gas Initiative Allocation Proposal Update (5 min, 3:25 – 3:30 p.m.)*

Acting Commissioner Kearns briefed the Council on Regional Greenhouse Gas Initiative (RGGI) updates, stating that the first two program auctions of 2023 have occurred. He noted that \$1.6 million in funding from the Energy Efficiency Conservation Block Grant will be allocated to 26 municipalities. Mr. Kearns then stated that the Lead by Example program will have RGGI support, and that rate relief for low- and moderate-income customers are also proposed to receive support.

*b. Rhode Island Energy Presentation of the Updated 2024-2026 Draft Plan (20 min, 3:30 – 3:50 p.m.)*

Mr. O'Brien Crayne briefed the Council on the RIE 2024-2026 Energy Efficiency Plan Update, and the planning timeline for stakeholder involvement. The first draft of the 2024 Annual

Plan will be shared on August 3<sup>rd</sup>, and the 3-year plan will be delivered to the PUC on October 1<sup>st</sup>.

The comments received from the July 21<sup>st</sup> comment period deadline highlighted the perceived lack of sufficient detail within the plan. Many expressed the need for more comprehensive information, particularly pertaining to the specifics of program design. This led to a request for clearer organizational strategies that would enhance the plan's coherence and effectiveness. Another area of discussion revolved around timelines, notably focusing on the 3-year plan and the annual plan. There was a voice of interest in having a more structured and transparent framework to ensure a smoother execution and assessment of progress. While the plan garnered approval for its alignment with energy efficiency objectives, there were concerns raised about its compatibility with the Act on Climate. Comments emphasized the importance of monitoring developments with the EC4 to ensure alignment with climate action priorities.

Mr. O'Brien Crayne then went on to discuss the recent narrative changes to the 3-year plan. In the recent updates to the 3-year plan narrative, several key aspects have been addressed to strengthen the plan's effectiveness and relevance. One notable change involves the planning process itself. The narrative now provides a more comprehensive and transparent overview of the planning process, ensuring that stakeholders understand the methodologies and considerations that underpin the plan's development. Another significant update pertains to the incorporation of least cost procurement laws and standards. The revised narrative underscores the importance of adhering to these regulations, which promote the responsible and efficient allocation of resources.

The draft of the 2024 Annual Plan will be delivered on August 3<sup>rd</sup>, which will include attachments. It will not include demand response content as that will be moved under SRP based on the PUC's guidance.

Vice Chair Gill Case made a note that timing is a key concern of this process and would like to make sure the C-Team has access to new plan documents in a timely manner.

*c. Council Consultant Team Perspectives on the Updated 2024-2026 Draft Plan (25 min, 3:50 – 4:15 p.m.)*

Mr. Caesar reiterated the C-Team's area of focus for the draft plan; in summary these focuses are the quantitative review, quality assurance, and narrative review.

He began showing the Portfolio Lifetime Savings, with the key takeaway here being a slight increase in planned lifetime electric and gas savings year-over year from 2024-2026, but planned savings are nearly 50% below targets. Next, he showed the implementation budget, with the key takeaway here being minor increases in planned budget over the three-year term with over 20% increase in what was spent in 2022. He then brought up the portfolio cost to achieve, with the key takeaway being a decline in cost-to-achieve during the three-

year plan term, but a higher cost-to-achieve in 2024 than 2022 actuals for both electric (+19%) and gas (29%) portfolios.

He then discussed the Commercial and Industrial (C & I) plan, with the key takeaway being a planned 2024-2026 savings exceeding the 2023 plan but ~35% below electric and gas targets. With the C&I electric savings, the key takeaway being lighting and HVAC representing nearly 80% of gap between the three-year plan and targets. With the electric cost, the key takeaway was the 2024-2026 average electric cost-to-achieve over 60% higher than 2022 actuals, but measures lives and net-to-gross values suggest evaluation impacts are not main drivers.

Mr. Caesar then presented terms of lifetime savings for residential and income eligible lifetime savings. For electricity, the planned savings were noted to surpass those outlined in the 2023 plan, although they fell below the set targets. Meanwhile, for gas, the planned savings were observed to be below both the plan and targets. Analyzing electric end-use savings, it was revealed that a significant portion of the gap between the 3-year plan and the targets was distributed across major end-uses.

Council Member AnderBois wanted further detail on the status of the weatherization projects within the 3-year plan. Mr. Lawrence noted that there have been tweaks made to the program, and mentioned that if one CAP is overburdened, another CAP will be able to assist, and a single audit will become available to help improve efficiency and utilize staff capacity. This item will be a part of the draft annual plan.

*d. Overview and Discussion of Updates to the Least Cost Procurement Standards (10 min, 4:15 – 4:25 p.m.)*

Mr. Johnson began presenting the timeline for the updated LCP standards, highlighting that the PUC was receptive to incorporating Council feedback on the following items: the valuation of emissions reductions, the three-year and annual plan content, the annual plan reporting requirements, and the Council's role in reviewing DSM Proposals. The feedback on the timing of standards review has not been incorporated in standards, but has been addressed in a comment by the PUC staff.

He then briefed the Council on the PUC's responsiveness to OER and RIE feedback. The PUC's response has resulted in the partial adoption of a significant number of the comments and recommendations put forth by OER. This proactive approach has been particularly evident in matters related to the Act on Climate and equity. Furthermore, in response to additional feedback from the C-Team, there is an ongoing discussion about refining the terminology used in the program standards. The C-Team has suggested the consideration of incorporating the term "Program Administrator" within the standards. The C-Team also offered minor edits to enhance clarity in the newly proposed language.

**7. Council Business (30 Min, 4:25 – 4:55 p.m.)**

*a. Review of 2023 Budget and Potential Vote to Reallocate Council's K-12 Energy Education Funding (5 min, 4:25 – 4:30 p.m.)*

The C-Team briefed the Council on the initial 2023 budget allocation, which had two distinct components: \$25,000 earmarked for K-12 energy education and \$35,000 allocated for the Energy Efficiency & Climate Awareness Campaign. The Public Awareness Campaign should be divided into two phases. Phase 1 of the project involves a comprehensive approach to building a robust public awareness campaign to be completed in 2023. Phase 2 of the project involves the execution of the public awareness campaign that was developed in Phase 1 to commence and be completed in 2024.

Council Member AnderBois motioned to reallocate \$25,000 from the K-12 Energy Education initiative to the EE and Climate Awareness Campaign. Vice Chair Gill Case seconded. All in favor, none opposed.

*b. Review and Potential Vote on the Draft Energy Efficiency and Climate Public Awareness Campaign Request for Proposals (10 min, 4:30 – 4:40 p.m.)*

The C-Team began briefing the Council on the proposed draft RFP. The draft RFP has been structured to mirror a two-phased approach. However, the progression to the second phase is contingent upon the approval of the 2024 budget. In addition, potential vendors engaging with this RFP would recognize this phased arrangement. Specifically, vendors would be aware that they are assured participation in Phase 1, while the continuation to Phase 2 is subject to the successful approval of the budget.

Council Member AnderBois motioned to approve the Energy Efficiency and Climate Public Awareness Campaign RFP as presented on July 20th, 2023, and to direct the Office of Energy Resources to issue the request for proposals. Vice Chair Gill Case seconded. All in favor, none opposed.

*c. Council Discussion and Vote on the 2024 Draft EERMC Budget Proposal (15 min, 4:40 – 4:55 p.m.)*

Mr. Johnson began by refreshing the Council on the budget planning process. Mr. Johnson discussed that the Council's statutory budget cap for the upcoming year is not anticipated to remain at its current level. It was noted that the significant return of unspent ratepayer funds played a pivotal role in influencing the binding cap for the current year. This return of funds was a one-time factor that had a substantial impact on the budget cap.

The draft budget for 2024 underwent several changes to ensure its alignment with the Council's priorities and goals. Notably, two items were removed from the budget: a potential study data refresh and a market-based solutions study. The 2024 budget saw the incorporation of new initiatives that reflect the Council's strategies. Specifically, allocations were made for an expanded Energy Efficiency and Climate Awareness Campaign, and the implementation of the provision for EE Implementation RFP support.

Mr. Johnson made a point to focus on the implementation of the energy efficiency program that Governor McKee's budget proposal emphasized the need for close collaboration between OER and the EERMC. The cost estimate of ~\$100k was based on the C-Team's recent experience supporting a procurement of implementation contractor firms for a utility client, and a potential for a multi-year timeline for transitional implementation support.

He then went on to discuss the EE & Climate Public Awareness Campaign where the funding to support a vendor selected from the RFP would be reviewed during today's Council meeting. The current dollar amount of ~\$85k reflects the Council's direction to increase allocations from the 2023 budget level and will be updated when the RFP responses are received and evaluated.

Acting Commissioner Kearns suggested that the Council includes the presentation from the Rhode Island Builders Association to the PUC to show the benefits of the Home Show and Energy Expo, if the Council decides to approve a vote on the EE & CPAC.

A discussion started when Vice Chair Gill Case asked to gauge the Council's stance on the increase of the energy code. Council Member Caldwell explained that Rhode Island has recently passed a law that the State will adopt the 2024 Energy Conservation Code within the first 3 months of being published, and that RI is the first state in the nation to do so. Council Member Caldwell also mentioned that RIBA needs to educate the public very quickly in order to meet these goals. Member Feldman stated that Rhode Island Energy is open to collaborate for this process to lower confusion. Vice Chair Gill Case polled the Council to gauge consensus or support within the Council, to which the Council supported.

Council Member AnderBois motioned to approve the 2024 EERMC Budget Proposal and Council Member Izzo seconded. All in favor, none opposed.

## **9. Public Comment**

Vice Chair Gill Case wanted to share with the Council his recognition and thanks to URI Energy Fellow, Jordan Galluzzo, for her work on the EERMC newsletter and how it works well towards the Council's goal of improving public outreach.

Ms. Galluzzo thanked Vice Chair Gill Case for his words on her work. Ms. Sholly made a note that the EERMC 2023 Annual Report was printed, and everyone was welcome to grab one on their way out.

## **10. Adjournment**

Vice Chair Gill Case motioned to adjourn the meeting. Council Member AnderBois seconded, and the meeting adjourned at 4:53 p.m.