

Memo



To: The Energy Efficiency and Resource Management Council (EERMC)
From: EERMC Consultant Team and Office of Energy Resources
Date: January 18, 2024
Subject: January EERMC Meeting Briefing Memo

CONSULTANT TEAM

PURPOSE OF BRIEFING MEMO

The purpose of this briefing memo is to assist Councilors with digesting the many materials and decisions it may need to make at each meeting. It follows a similar format to the official meeting agenda so Councilors can follow along throughout the meeting. For each agenda item, this memo will highlight key considerations for the Council and clearly indicate what actions (if any) the Council needs to make. The Consultant Team (C-Team) has worked with the Office of Energy Resources (OER) to also incorporate the content that Councilors are used to seeing in the “Recommended Vote Language” document. This ensures the Council has a single point of reference during meetings. This memo will also note any supplemental materials that are provided, but not associated with, specific agenda items. Finally, this being the first iteration of this briefing memo, the C-Team and OER welcomes any feedback on the format and content.

6. PROGRAM OVERSIGHT

6a. Rhode Island Energy 2024 System Reliability Procurement Investment Proposal for the Electric Demand Response Program

Key Considerations

- The key consideration for the Council is what (if any) action it would like to take on this investment proposal.
- This decision is similar to the one it had to consider for the SRP investment proposal for the gas demand response pilot at the Council’s October meeting.
- The Proposal that the Company is asking the Council to consider is for its Electric Demand Response Program (known as ConnectedSolutions), which up until this year was previously filed as part of the Energy Efficiency plans.

Council Actions

[Required Vote] [**Potential Vote**] [No Vote]

In accordance with Section 6.3.G of the Least Cost Procurement (LCP) Standards:

“The distribution company [Rhode Island Energy] shall submit any draft [System Reliability Procurement] SRP Proposal to the Council and the Division of Public Utilities and Carriers for their review six weeks prior to filing the SRP Proposal with the [Public Utilities Commission] PUC. The Council may determine its endorsement or opposition, involvement or abstention, or any other level of action related to the filing on a case-by-case basis.”

Because the LCP Standards indicate that the Council “*may*” (as opposed to “*shall*”), the Council *is not obligated* to take any action. If the Council does wish to take action, it must decide between one or more options, each of which are outlined below.

- **Endorse:** Allows the Company to communicate to the PUC in their testimony that they submitted the Proposal to the Council, and that the Council endorsed its.
- **Oppose:** Allows the Company to communicate to the PUC in their testimony that they submitted the Proposal to the Council, and that the Council opposed it.
- **Involvement:** Directs the Council’s legal representative to file necessary documents to ensure the Council can participate as a Party in any proceedings related to the filing.
- **Abstention:** Allows the Company to communicate to the PUC in their testimony that they submitted the Proposal to the Council, but that the Council decided to not weigh in on it.

Key Discussion Question(s) Prior to Potential Vote

1. Are there any adjustments to the Program Proposal that should be made to better fulfill Least Cost Procurement requirements?
2. Are there any adjustments to the Program Proposal that should be made to better support the groups represented by Council Members?

Recommended Vote Language

1. A motion to endorse the Rhode Island Energy 2024 System Reliability Procurement Investment Proposal for the Electric Demand Response Program as presented by Rhode Island Energy to the Council on January 25, 2024.
2. A motion to oppose the Rhode Island Energy 2024 System Reliability Procurement Investment Proposal for the Electric Demand Response Program as presented by Rhode Island Energy to the Council on January 25, 2024.
3. A motion to direct the Council’s Attorney to file necessary documents to ensure the Council may be able to participate as a party in any proceedings related to the filing.
4. A motion to abstain from taking a position on the Rhode Island Energy 2024 System Reliability Procurement Investment Proposal for the Electric Demand Response Program as presented by Rhode Island Energy to the Council on January 25, 2024.

6b. Consultant Team Review of Data Snapshot

Key Considerations

- The C-Team will be preparing monthly data snapshots for the Council moving forward.
- This presentation includes examples of what the snapshots will look like and how the C-Team envisions them being used by Councilors or other stakeholders.

Council Actions

[Required Vote] [Potential Vote] **[No Vote]**

No votes are required, however, the Council may wish to provide comments to the Consultant Team on the design and contents of the data snapshot.

6c. Discussion of Council Priorities for the 2025 Program Year

Key Considerations

- In the coming months, the Council will formalize its priorities for the Company to consider during the development of the 2025 Energy Efficiency Plan
- The C-Team has prepared a presentation that will serve as a starting place for the Council's discussion
- Feedback received from Councilors will be incorporated into a draft memo of priorities for the Council to initially consider in February

Council Actions

[Required Vote] [Potential Vote] **[No Vote]**

No votes are required this month, however, the Council will vote on its priorities in February or March.

7. COUNCIL BUSINESS

7a. Review and Potential Vote to Reallocate Funds in the Council's 2024 Budget

Key Considerations

- At its July 2023 Council Meeting, the Council approved a proposed budget for 2024 of \$1,078,800
- The PUC approved a Council budget of \$991,000 for 2024
- The Council, as a result, has a budget that is \$87,800 less than what it had proposed, and will need to reallocate funds between proposed budget categories
- If deemed necessary, the Council may petition to the PUC for additional funding at a future date.

Council Actions

[Required Vote] **[Potential Vote]** [No Vote]

The Council may wish to vote to reallocate funds between budget categories at the January meeting, though is not required to do so. If the Council decides to not reallocate funds at this time, it will need to do so eventually to ensure the sum of all budget categories does not exceed what the PUC has allocated to the Council.

Key Discussion Question(s) Prior to Potential Vote

1. What budget items or programming could be deferred to 2025?

Recommended Vote Language

1. *A motion to reallocate funds:* A motion to set Council budget {line item(s)} in the amount of \${amount}, to align the Council's operating budget with the Council's budget allocation.

7b. Review and Potential Vote on the Consultant Team's 2024 Draft Scope of Work

Key Considerations

- The C-Team has provided a draft of their 2024 scope of work (SOW) and budget
- The SOW memo builds off the 2023 SOW, with updates and changes described
- The proposed budget is based off the allocation in the Council's original 2024 budget proposal

Council Actions

[Required Vote] [**Potential Vote**] [No Vote]

The Council may wish to vote on the C-Team's proposed SOW and/or budget for 2024. Any votes the Council may take related to the consultant services budget item as part of its discussion on agenda item 7a. may impact whether the Council wishes to vote on the C-Team's SOW and/or budget in January.

Key Discussion Question(s) Prior to Potential Vote

1. Does the scope of work provided meet the Council's needs?
2. Is the scope of work clear?
3. Does this scope of work provide support for core Council activities and priorities?
4. Are there any adjustments that should be made to the scope of work?

Recommended Vote Language

1. *A motion to adopt the 2024 Scope of Work:* A motion to approve the 2024 scope of work for the Consultant team, led by Optimal Energy, and the associated budget for that scope of work as presented at the January 25th, 2024 Council Meeting. Further, to direct the Office of Energy Resources to incorporate this approved scope of work and budget into the current consultant services contract.
2. *A motion to adopt the 2024 Scope of Work, with amendments:* A motion to approve the 2024 scope of work for the Consultant team, led by Optimal Energy, and the associated budget for that scope of work with the following amendments: {state amendments}.

Further to direct the Office of Energy Resources to incorporate this amended scope of work and budget into the current consultant services contract.

3. *A motion to request revisions and/or significant modifications:* A motion to request that the Consultant Team, led by Optimal Energy, make significant revisions to the scope of work and present that for Council consideration at the February meeting. Specifically, the revised document should address: {specific area(s) of concern}.

7c. Discussion and Vote to Execute Contract Extension with the URI Cooperative Extension for Public Forum and Lecture Series Services

Key Considerations

- The Council's current contract with URI's Cooperative Extension for services related to a Public Forum and Lecture Series allows for the extension of the contract in 2024
- The Council's Education Committee discussed this last year when the Council was deliberating on its proposed budget for 2024, and again at an Education Committee meeting in January 2024.
- The Education Committee has indicated a preference for executing the contract extension.

Council Actions

[Required Vote] [Potential Vote] [No Vote]

In order to ensure work can begin in a timely manner, the Council needs to vote on the proposed update to the Council's contract language with URI Cooperative Extension.

Key Discussion Question(s) Prior to Potential Vote

1. Were the events and services provided in 2023 satisfactory?
2. Are there significant changes that the Council would like to make to the Public Forum and Lecture Series in 2024?

Recommended Vote Language

1. *A motion to Execute Contract Extension:* A motion to execute one of the EERMC's two (2) twelve-month extensions of the existing EERMC Public Forum and Lecture Series contract and to direct the Office of Energy Resources (OER) to work with EERMC Legal Counsel to execute the contract extension documents.

7d. Discussion and Potential Vote on the Council Meeting Calendar for 2024 and a Preview of Possible Discussion Topics

Key Considerations

- The Council has developed a proposed calendar of meeting dates and topics, inclusive of major milestones for planning activities related to the 2025 EE Plan
- The proposed calendar has been developed with input from both the Office of Energy Resources (OER) and the Company
- The purpose of the calendar is to provide up-to-date estimates of what topics the Council is likely to discuss throughout the year and when
- The calendar will be updated regularly and provided as a supplemental material throughout the year

Council Actions

[Required Vote] [**Potential Vote**] [No Vote]

The Council is not required to vote on this matter, though is welcome to if it prefers to set its calendar of events by means of a formal vote. For reference, the Council did not formally vote on this matter for its 2023 calendar of events.

Key Discussion Question(s) Prior to Potential Vote

1. Can the Council Members commit to being present on these dates?
2. Do the meeting dates allow for proper review and votes on anticipated Council business?

Recommended Vote Language

1. *Approving the 2024 EERMC Calendar:* A motion to approve the 2024 EERMC meeting calendar as presented and to direct the Office of Energy Resources to reserve meeting space and distribute calendar invites for these meetings dates to the Council as soon as possible.
2. *Approving the 2024 EERMC Calendar, with amendments:* A motion to approve the 2024 EERMC meeting calendar with the following amendments _____ and to direct the Office of Energy Resources to reserve meeting space and distribute calendar invites for these meetings dates to the Council as soon as possible.

SUPPLEMENTAL MATERIALS

Consultant Team Memo Summarizing PUC Rulings at December Open Meetings

The C-Team has prepared and provided a memo that summarizes the PUC's Rulings at its December Open Meetings on the 2024-2026 and 2024 Annual Energy Efficiency Plans.

Initial Draft of February Council Meeting Agenda

A initial draft of the February Council meeting agenda has been provided for Councilor review. Councilors should provide any feedback on the draft agenda by no later than Friday February 2, 2024.