

MEMO

CONSULTANT TEAM

TO: Energy Efficiency Council
FROM: EEC Consultant Team
CC: Office of Energy Resources
DATE: April 18, 2024
RE: Consultant Team First Quarter Budget Update



PURPOSE

The purpose of this memo is to provide the Council with an update on the Consultant Team’s (C-Team) budget after the close of the first quarter. The update provides a summary of year-to-date spending and hours compared to planned budgets and hours as indicated in the [C-Team’s Scope of Work, approved by the Council on February 15, 2024](#). For each Task and Sub-Task, we include planned hours and budget compared to actuals and provide a brief commentary on some of the areas that fall outside or our expectations. As this is the first iteration in what is a new quarterly reporting commitment from the C-Team, we welcome any feedback Councilors have on the format and utility of the content.

TABLE 1: BUDGET SUMMARY

| Tasks and Sub-Tasks | Planned Budget | Billed (YTD) | % Budget Spent | Budget Remaining | % Budget Remaining |
|--|------------------|------------------|----------------|------------------|--------------------|
| Task 1: Energy Efficiency Program Planning and Implementation Oversight | \$436,450 | \$88,832 | 20% | \$347,618 | 80% |
| <i>Task 1.1: Council Representation</i> | \$20,200 | \$5,616 | 28% | \$14,584 | 72% |
| <i>Task 1.2: Implementation Oversight and Plan Development</i> | \$350,350 | \$61,743 | 18% | \$288,607 | 82% |
| <i>Task 1.3: Education Initiatives</i> | \$65,899 | \$21,473 | 33% | \$44,426 | 67% |
| Task 2: System Reliability Procurement | \$6,658 | \$3,106 | 47% | \$3,552 | 53% |
| <i>Task 2.1: Council Representation</i> | \$2,653 | \$804 | 30% | \$1,849 | 70% |
| <i>Task 2.2: Plan Development and Oversight</i> | \$4,005 | \$2,302 | 57% | \$1,703 | 43% |
| Task 3: Regulatory Proceedings | \$77,487 | \$9,403 | 12% | \$68,084 | 88% |
| <i>Task 3.1: Council Representation</i> | \$22,101 | \$1,832 | 8% | \$20,269 | 92% |
| <i>Task 3.2: Develop Technical Materials</i> | \$55,386 | \$7,571 | 14% | \$47,815 | 86% |
| Task 4: Council Sponsored Meetings and Materials | \$118,832 | \$34,889 | 29% | \$83,943 | 71% |
| <i>Task 4.1: Meeting Attendance</i> | \$21,733 | \$4,704 | 22% | \$17,029 | 78% |
| <i>Task 4.2: Develop Technical Materials</i> | \$70,921 | \$27,421 | 39% | \$43,500 | 61% |
| <i>Task 4.3: Other Council Responsibilities</i> | \$26,178 | \$2,765 | 11% | \$23,414 | 89% |
| Task 5: Research, Analysis, and Other Council Support | \$143,847 | \$4,611 | 3% | \$139,236 | 97% |
| Task 6: Administrative | \$3,751 | \$105 | 3% | \$3,646 | 97% |
| Task 7: EERMC Intern | \$30,000 | \$5,925 | 20% | \$24,075 | 80% |
| Total¹ | \$817,025 | \$146,871 | 18% | \$670,154 | 82% |

¹ Billed values include actual invoices for services provided in January and February, plus anticipated billings for services provided in March which have not yet been invoiced to the Council.

TABLE 2: HOURS SUMMARY

| Tasks and Sub-Tasks | Planned Hours | Billed (YTD) | % Hours Billed | Hours Remaining | % Hours Remaining |
|--|---------------|--------------|----------------|-----------------|-------------------|
| Task 1: Energy Efficiency Program Planning and Implementation Oversight | 2,319 | 475 | 20% | 1,843 | 80% |
| <i>Task 1.1: Council Representation</i> | 95 | 26 | 28% | 69 | 72% |
| <i>Task 1.2: Implementation Oversight and Plan Development</i> | 1,894 | 325 | 17% | 1,569 | 83% |
| <i>Task 1.3: Education Initiatives</i> | 329 | 125 | 38% | 205 | 62% |
| Task 2: System Reliability Procurement | 30 | 14 | 47% | 16 | 53% |
| <i>Task 2.1: Council Representation</i> | 12 | 4 | 32% | 8 | 68% |
| <i>Task 2.2: Plan Development and Oversight</i> | 18 | 10 | 58% | 8 | 42% |
| Task 3: Regulatory Proceedings | 403 | 44 | 11% | 359 | 89% |
| <i>Task 3.1: Council Representation</i> | 107 | 8 | 7% | 99 | 93% |
| <i>Task 3.2: Develop Technical Materials</i> | 296 | 36 | 12% | 260 | 88% |
| Task 4: Council Sponsored Meetings and Materials | 639 | 170 | 27% | 469 | 73% |
| <i>Task 4.1: Meeting Attendance</i> | 118 | 23 | 19% | 95 | 81% |
| <i>Task 4.2: Develop Technical Materials</i> | 388 | 135 | 35% | 253 | 65% |
| <i>Task 4.3: Other Council Responsibilities</i> | 134 | 13 | 10% | 121 | 90% |
| Task 5: Research, Analysis, and Other Council Support | 709 | 21 | 3% | 688 | 97% |
| Task 6: Administrative | 44 | 1 | 3% | 43 | 97% |
| Task 7: EERMC Intern | 600 | 23 | 4% | 577 | 96% |
| Total¹ | 4,744 | 749 | 16% | 3,995 | 84% |

¹ Billed values include actual invoices for services provided in January and February, plus anticipated billings for services provided in March which have not yet been invoiced to the Council.

Through the first quarter most of tasks and sub-task budget and hours are tracking as we would expect them to. Through the first quarter of 2024, we expect to have spent 18% of planned budget at 16% of planned hours. We have highlighted a few outliers and their key drivers below.

- Task 2 is through nearly 50% of our initially planned budget despite only being through a quarter of the year. This task accounts for a very small percentage of our overall budget. As a result, even minor outliers in actual spending are likely to have a large impact on percent of planned budget and hours spent. The main driver behind the higher than anticipated spend to date is tied to work on reviewing materials related to the Rhode Island Energy’s Electric SRP Investment Proposal for the ConnectedSolutions program for 2024. Most of this work in a typical year would have taken place towards then end of the preceding calendar year, however, much of the review for this particular proposal carried into 2024.
- Task 3 has only utilized about 10% of its budget so far. While this may seem like an outlier on the surface, we would note that most of the regulatory activity tends to happen later in the year

when plans are being considered at the Public Utilities Commission. Much of the activity to date is tied to the Consultant Team's work in supporting the Council at the Future of Gas Docket.

- Task 5 has also seen only a small share of its budget spent to date. This is primarily due to the fact that some work areas within this task have not yet ramped up. For example, this task area includes our support of the Council in all matters related to OER's ongoing work to solicit vendors for the administration of ratepayer funded energy efficiency programs in Rhode Island. We anticipate this work to ramp up in the coming months.
- Task 6 has a similarly small share of budget spend to date as Task 5. Minimal administrative support work has been required to-date, but we expect that to increase in the coming months as we work through council website updates and support for meeting coordination and logistics for the Council's LEAD sessions.