



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL DRAFT MEETING MINUTES

Thursday, February 15, 2024 | 3:00 PM – 5:00 PM

Department of Administration Cafeteria Conference Room, RI 02908 with remote participation via Zoom.

Members in Attendance: Harry Oakley, Peter Gill Case, Susan AnderBois, Kurt Teichert, Dave Caldwell (arrived at 3:55 p.m.), Bob Izzo, Priscilla De La Cruz, Thomas Magliocchetti, Chris Kearns, Brett Feldman

Others in Attendance: Steven Chybowski, Georgia Cheney, Craig Johnson, Rachel Sholly, Adrian Caesar, Toby Ast, Carrie Gill, Michael O'Brien Crayne, Jay Gotra, Emily Koo, Mark Siegal, Carrie Gill, Allison Archambault, Spencer Lawrence, Sara Sultan (virtual), Nate Hua (virtual), Stephen Lasher (virtual), Dana Goodman (virtual), Nelson DiBiase (virtual), Anika Kreckel (virtual), Krysti Shallenberger (virtual), Oliwia Krupinska (virtual), Gabriela Olmedo (virtual), Nancy Chafetz (virtual), Tim Faulker (virtual), Jessica Reno (virtual), John Harrington (virtual), Conor MacDonald (virtual), Rebecca Golding (virtual), Pete Falcier (virtual), Fiona Zhou (virtual), Margaret Hogan (virtual), Jamie Charles (virtual)

1. Call to Order

Chairperson Oakley called the meeting to order at 3:17 p.m.

2. Chair Report

Chairperson Oakley explained that any comments made by the public must be made during the Public Comment period and he provided instructions for virtual participants to provide their comments. Chairperson Oakley brought attention to the written public comments submitted before the meeting which can be found on the EERMC meeting website under "Other Materials." He also shared that the Council is looking to book its two LEAD sessions, one April 29th and the other October 28th at Rhode Island College. The Rhode Island Home Show, which is co-sponsored by the EERMC will be held April 4th through 7th at the Providence Convention Center. Lastly, Chairperson Oakley gave a brief overview of the meeting agenda.

3. Executive Director Report

Acting Commissioner Kearns reported out to the Council on some of the current projects from the Office of Energy Resources (OER). First, a request for Information (RFI) has been posted on OER's website for the Home Energy Rebate programs. The Office is accepting stakeholder feedback until February 23rd. Second, OER is accepting municipal applications for the Lead by Example Clean Energy awards with applications due by March 29th. Next, the Federal Energy Efficiency Block Grant for municipal energy efficiency projects up to

\$100,000 is now open for municipal applications until February 21st. In addition, The State's Efficient Buildings Fund provided by the Rhode Island infrastructure Bank in collaboration with OER will soon be accepting applications for low-interest loans for municipal energy projects. OER has Department of Administration approval to get Council Members badges for monthly meetings. Lastly, OER's Clean Heat Rhode Island program has rolled out a dashboard with the geographic distribution and monthly updates of heat pump installations for stakeholders and the public to view.

4. Meeting Minutes – January 25, 2024

Chairperson Oakley motioned to approve the January 25th, 2024 Meeting Minutes. Council member Teichert seconded. All in favor, none opposed, and the January Meeting Minutes were approved.

5. Public Comment

- *Justin Paquette, Smart Green Solar*

Mr. Paquette commented on Rhode Island Energy's updated System Reliability Procurement proposal. He stated that the battery demand response section of Rhode Island Energy's System Reliability Procurement proposal causes concern for the future of Rhode Island's electrical grid and climate change goals. Battery systems increase the resilience of communities. Renewable energy and Batteries are the future of Rhode Island, and the proposal takes the state further away from its climate goals. Peak demand reduction at the lowest possible cost will not meet Rhode Island greenhouse gas or renewable energy goals. Mr. Paquette suggested that the Connected Solutions Program be ran by an entity separate from the utility company to ensure that the funds are being used to create programs that meet the goals of communities.

- *Jay Gotra, Smart Green Solar*

Mr. Gotra stated that the goal of the committee is to find the lowest and most environmentally friendly source of power and that the committee supports the State goals of going renewable by 2030. Currently, Smart Green Solar is installing batteries that cannot be turned on because Rhode Island Energy is turning the accounts down. The current renewable energy program, Renewable Energy Growth, and the Connected Solutions battery programs need to be better connected for customer use. The customers voice needs to be represented to reach the greater goals of the community.

- *Steve Lasher, Enphase Energy (virtual)*

Mr. Lasher shared that he had submitted written public comment before the meeting. His comments are in opposition to Rhode Island Energy's proposed Connected Solutions program reduction of the residential battery incentive and limit on the Heat loans. Enphase believes that the battery incentives should not be reduced. Demand response programs are essential for reliable peak load reduction and customer bill savings. These incentives will become even more important in the

future as electrification grows in response to climate change. If Rhode Island Energy's proposal is approved, battery investment and enrollment will plummet to pre-Connected Solutions levels in Rhode Island. This will negatively affect the community's resiliency, environmental, and economic benefits. Mr. Lasher respectfully urges the Council to oppose Rhode Island Energy's proposal. Mr. Lasher recommends further stakeholder engagement on a fair benefit-cost analysis and construction of the residential battery incentive program to support sustainable deployment. Enphase strongly opposes the June 1st start date as it does not give customers and industry stakeholders enough time to make major programmatic changes, a 9-month period to make programmatic changes is suggested instead.

- *Nancy Chafetz, CPower Energy (virtual)*

Ms. Chafetz commented on the commercial and industrial (C&I) side of the Connected Solutions program. She noted that she appreciates this process of soliciting stakeholder feedback. The incentive cap on the C&I side concerns Ms. Chafetz. She stated that batteries need to reach a certain size to achieve economies of scale and customers are only interested in batteries that provide resilience. Ms. Chafetz suggests a cap of 1.375 million for the battery incentive program which would make a meaningful impact in peak load reduction. Ms. Chafetz thanks the Council and recommends that the EERMC suggests this small increase to the PUC in order to significantly help the program's potential uptake.

- *Nate Hua, Leap Energy (virtual)*

Mr. Hua thanks the Council and Rhode Island Energy for the continued opportunity to engage and provide feedback on the System Reliability Procurement proposal. Leap Energy submitted written public comment prior to the meeting. The C&I daily dispatch incentive does not include the energy arbitrage for battery resources like the residential battery incentive. Leap Energy recommends that Rhode Island Energy implement a daily dispatch incentive that is specific to battery storage resources. Mr. Hua would like to note that he did not see language addressing the payment procedure if the budget was exceeded and suggests that this language is included. Mr. Hua requests that Rhode Island Energy clarifies the language around the multi-year incentive rate and commitment letter lock. This would help clarify the respective and combined timelines.

- *Tim Faulkner, NEC Solar (virtual)*

Mr. Faulkner commented on the changes to the demand response program. He suggests more due diligence on the costs and benefits of the proposed changes is needed. Mr. Faulkner believes it would be helpful to know why Rhode Island is reducing incentives while Massachusetts and Connecticut are increasing incentives, especially when the need for battery storage is increasing to address energy issues in Rhode Island.

- *Dana Goodman, NEC Solar (virtual)*

Ms. Goodman does not understand why commercial battery system rebates are higher than residential battery incentives considering a commercial client can take advantage of more large tax incentives and write offs than residential clients. Ms. Goodman would also like more clarity on what stakeholders Rhode Island Energy is consulting with as she would like more opportunities to provide feedback to the Company. Changing the battery incentive will be detrimental to the industry and customers. Ms. Goodman strongly recommends reconsidering these recommendations.

6. Program Oversight

a. *Presentation and Potential Vote on Rhode Island Energy's 2024 System Reliability Procurement Investment Proposal for the Electric Demand Response Program (20 min, 3:10 – 3:30 p.m.)*

Dr. Gill from Rhode Island Energy presented on the System Reliability Procurement Proposal that was submitted to the PUC on February 7th and will now be Docket No. 24-06-EE. She explained the demand response model and how Rhode Island Energy is working to implement that model. The presentation included an overview of the five programs in the System Reliability Procurement investment proposal – bring your own thermostat, residential and small business battery programs, an electric vehicle demand response program, a targeted dispatch program, and a daily dispatch program. After the feedback from the January 25th EERMC meeting, Rhode Island Energy re-examined their daily dispatch pathway, the residential and small business battery pathway, and the performance incentive mechanism. Dr. Gill emphasized that the goal of the utility is to strengthen their system to decarbonize affordably and reliably. A docket schedule has not been set yet by the PUC.

Mr. Johnson suggested that the Council does not take a position at this meeting on the System Reliability Procurement proposal because not enough time has been given to fully review the proposal. He suggested that the Council contact their legal team to file the necessary paperwork to participate in the PUC docket. Council Member Teichert posed a question to Dr. Gill asking why neighboring states are increasing incentives while Rhode Island is decreasing incentives. Dr. Gill responded that Massachusetts has different statutes than Rhode Island, including a clean peak standard which requires the market to internalize additional costs and is able to fund more incentives. Rhode Island statutes do not address peak demand.

Vice Chairperson Gill Case motioned to direct the Council's attorney to file the necessary paperwork for the Council to participate in the proceedings of the docket filing and to direct the Consultant Team to engage in the docket in consultation with Council leadership. Council Member AnderBois seconded the motion. All in favor, none opposed.

b. *Consultant Team Review of Data Snapshot (15 min, 3:30 – 3:45 p.m.)*

Mr. Caesar and Ms. Sultan of the Consultant Team presented the new Data Snapshot resource and walked through how Council Members can use it. The overall goal of the data snapshot is to present the data in a visual format to the Council so that Council

Members can more easily interpret information. The Council shared positive feedback on the resource and the Sankey Diagrams.

- c. *Discussion and Potential Vote on Council Priorities for the 2025 Program Year (20 min, 3:45 – 4:05 p.m.)*

Mr. Johnson presented on Council priorities for the 2025 program year. He split the priorities into existing Council priorities and new areas of interest for the 2025 Program Year. The presentation included showing possible overlap between priorities of the Council and the Commission. The Council chose not to vote on the priorities at this meeting, but will look to revisit it at the next meeting. Council Members also requested that OER present their priorities in a future meeting to see where the priorities are aligned.

7. Council Business

- a. *Presentation and Vote on the Council's Rebranding and Materials (15 min, 4:05 – 4:20 p.m.)*

Ms. Sholly presented on the Council's re-brand, including the updated name, logo, and website. The Energy Efficiency Council will be the new public facing name, but the official legal name will remain as the Energy Efficiency and Resource Management Council on legal documents. The new color palette and logo has been added to Council PowerPoint and letter heading templates for future use. Vice Chairperson Gill Case requested a signature template for email signatures as well.

Mr. Chybowski is working with State IT to update the old website page and looking to get a new URL for the website. The new website has a higher accessibility compliance score and can be translated into six different languages. Chairperson Oakley asked when the website, logo, and new name should be rolled out. Council Member Magliocchetti suggested rolling materials out as they become available, and Council Members AnderBois and Gill Case agreed with that approach. Vice Chairperson Gill Case motioned to adopt the updated name, logo, and website, as presented by the Consultant team today and to direct the Consultant Team and OER to begin implementing the branding updates. Council Member Teichert seconded. All in favor, none opposed.

- b. *Review and Potential Vote on the Consultant Team's 2024 Draft Scope of Work (15 min, 4:20 – 4:35 p.m.)*

The Consultant Team presented their 2024 draft scope of work and budget. Mr. Johnson noted that the Consultant Team will track their costs incurred to the budget presented in the scope of work. The number presented in the Consultant Team scope of work has not been revised in relation to the Council's overall allocated budget at this time. Chairperson Oakley clarified that this budget is a not-to-exceed budget.

Vice Chairperson Gill Case motioned to approve the 2024 scope of work for the Consultant Team, led by Optimal Energy, and the associated budget for that scope of work at the 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. Chairperson Oakley seconded. All in favor, none opposed.

- c. *Updates on the Energy Efficiency Program Administration Procurement Process and Council Nominations to join Scoring Committee in Advisory Roles (15 min, 4:35 – 4:50 p.m.)*

Council Member AnderBois motioned for the council to enter into an Executive Session where OER will share updates on the energy efficiency program administrator procurement process. Chairperson Oakley seconded. All in favor, none opposed, and the Council entered into Executive Session.

The Council returned from Executive Session.

8. Adjournment

Chairperson Oakley motioned to adjourn the meeting at 5:18 p.m. Council Member Izzo seconded. All in favor none opposed, and the meeting was adjourned.