

# MEMO

## CONSULTANT TEAM

**TO:** Energy Efficiency Council  
**FROM:** EEC Consultant Team  
**CC:** Office of Energy Resources  
**DATE:** July 18, 2024  
**RE:** Consultant Team Second 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 second 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 an early 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
<b>Task 1: Energy Efficiency Program Planning and Implementation Oversight</b>	<b>\$436,450</b>	<b>\$171,938</b>	<b>39%</b>	<b>\$264,512</b>	<b>61%</b>
<i>Task 1.1: Council Representation</i>	\$20,200	\$8,877	44%	\$11,323	56%
<i>Task 1.2: Implementation Oversight and Plan Development</i>	\$350,350	\$126,397	36%	\$223,953	64%
<i>Task 1.3: Education Initiatives</i>	\$65,899	\$36,665	56%	\$29,235	44%
<b>Task 2: System Reliability Procurement</b>	<b>\$6,658</b>	<b>\$8,371</b>	<b>126%</b>	<b>-\$1,712</b>	<b>-26%</b>
<i>Task 2.1: Council Representation</i>	\$2,653	\$2,019	76%	\$635	24%
<i>Task 2.2: Plan Development and Oversight</i>	\$4,005	\$6,352	159%	-\$2,347	-59%
<b>Task 3: Regulatory Proceedings</b>	<b>\$77,487</b>	<b>\$18,823</b>	<b>24%</b>	<b>\$58,663</b>	<b>76%</b>
<i>Task 3.1: Council Representation</i>	\$22,101	\$5,715	26%	\$16,386	74%
<i>Task 3.2: Develop Technical Materials</i>	\$55,386	\$13,108	24%	\$42,278	76%
<b>Task 4: Council Sponsored Meetings and Materials</b>	<b>\$118,832</b>	<b>\$65,305</b>	<b>55%</b>	<b>\$53,527</b>	<b>45%</b>
<i>Task 4.1: Meeting Attendance</i>	\$21,733	\$9,233	42%	\$12,500	58%
<i>Task 4.2: Develop Technical Materials</i>	\$70,921	\$41,540	59%	\$29,382	41%
<i>Task 4.3: Other Council Responsibilities</i>	\$26,178	\$14,533	56%	\$11,646	44%
<b>Task 5: Research, Analysis, and Other Council Support</b>	<b>\$143,847</b>	<b>\$17,095</b>	<b>12%</b>	<b>\$126,753</b>	<b>88%</b>
<b>Task 6: Administrative</b>	<b>\$3,751</b>	<b>\$510</b>	<b>14%</b>	<b>\$3,241</b>	<b>86%</b>
<b>Task 7: EERMC Intern</b>	<b>\$30,000</b>	<b>\$13,950</b>	<b>47%</b>	<b>\$16,050</b>	<b>54%</b>
<b>Total<sup>1</sup></b>	<b>\$817,025</b>	<b>\$295,991</b>	<b>36%</b>	<b>\$521,034</b>	<b>64%</b>

<sup>1</sup> Billed values include actual invoices for services provided in January through May, plus anticipated billings for services provided in June 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
<b>Task 1: Energy Efficiency Program Planning and Implementation Oversight</b>	<b>2,319</b>	<b>936</b>	<b>40%</b>	<b>1,382</b>	<b>60%</b>
<i>Task 1.1: Council Representation</i>	95	43	45%	52	55%
<i>Task 1.2: Implementation Oversight and Plan Development</i>	1,894	650	34%	1,244	66%
<i>Task 1.3: Education Initiatives</i>	329	244	74%	86	26%
<b>Task 2: System Reliability Procurement</b>	<b>30</b>	<b>38</b>	<b>124%</b>	<b>-7</b>	<b>-24%</b>
<i>Task 2.1: Council Representation</i>	12	10	77%	3	23%
<i>Task 2.2: Plan Development and Oversight</i>	18	28	157%	-10	-57%
<b>Task 3: Regulatory Proceedings</b>	<b>403</b>	<b>99</b>	<b>24%</b>	<b>304</b>	<b>76%</b>
<i>Task 3.1: Council Representation</i>	107	32	30%	75	70%
<i>Task 3.2: Develop Technical Materials</i>	296	67	22%	230	78%
<b>Task 4: Council Sponsored Meetings and Materials</b>	<b>639</b>	<b>337</b>	<b>53%</b>	<b>302</b>	<b>47%</b>
<i>Task 4.1: Meeting Attendance</i>	118	47	40%	71	60%
<i>Task 4.2: Develop Technical Materials</i>	388	210	54%	178	46%
<i>Task 4.3: Other Council Responsibilities</i>	134	81	60%	53	40%
<b>Task 5: Research, Analysis, and Other Council Support</b>	<b>709</b>	<b>79</b>	<b>11%</b>	<b>629</b>	<b>89%</b>
<b>Task 6: Administrative</b>	<b>44</b>	<b>6</b>	<b>14%</b>	<b>38</b>	<b>86%</b>
<b>Task 7: EERMC Intern</b>	<b>600</b>	<b>243</b>	<b>41%</b>	<b>357</b>	<b>59%</b>
<b>Total<sup>1</sup></b>	<b>4,744</b>	<b>1,738</b>	<b>37%</b>	<b>3,006</b>	<b>63%</b>

<sup>1</sup> Billed values include actual invoices for services provided in January through May, plus anticipated billings for services provided in June which have not yet been invoiced to the Council.

Through the first half of the year, the C-Team’s budget overall is tracking right about where we would expect it to be. It is typical for the first half of the year to appear as a little underspent given that more activity, particularly associated with program planning and regulatory activities ramp up significantly in the second half of the year. For reference, the C-Team’s actual average spend through Q2 over the past two years was ~\$285,000 at about 40% of planned budget spent. We have highlighted a few outliers and their key drivers below.

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 more than 100% of our initially planned budget despite only being halfway through 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 24% of its budget so far. While this may seem like an outlier on the surface, we 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 and representing the Council at the Commissions Docket on the ConnectedSolutions program.
- 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 required as much time as had been anticipated. For example, this task area includes our support of the Council in matters related to OER's ongoing work to solicit vendors for the administration of ratepayer funded energy efficiency programs in Rhode Island. While we have provided support on this matter through the first half of the year, we likely have not needed as many hours as we may have originally anticipated. It is worth noting that this work is still ongoing at this time.
- Task 6 has a similarly small share of budget spend to date as Task 5. Minimal administrative support work has been required to-date.

Finally, the C-Team strives to do its best when planning hours across the many budget categories within our SOW, but it is often the case that some areas will be underspent while others will exceed our planning assumptions as we shift our focus to align with the Council's needs. The C-Team understands the importance of being cost-efficient with its share of the Council's budget, and is please to highlight that through the second quarter our team's average billing rate is about right on par with what we planned.