

MEMO

CONSULTANT TEAM

TO: Energy Efficiency Council
FROM: EEC Consultant Team
CC: Office of Energy Resources
DATE: July 18, 2024
RE: July EEC Meeting Briefing Memo



PURPOSE OF BRIEFING MEMO

The purpose of this briefing memo is to assist Councilors with digesting the many materials and decisions they 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 take. 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. The C-Team and OER welcome any feedback on the format and content.

6. SPECIAL TOPICS

6A. OFFICE OF ENERGY RESOURCES PRESENTATION ON TRANSPORTATION PROGRAMS

Key Considerations

- OER will present an overview of their transportation programs aimed at supporting the electrification of the transportation sector

Discussion Questions

- How does OER’s work in this area impact the Council’s work?
- What can the Council do within its bounds to support OER’s transportation programs?

Council Actions

Required Vote	Potential Vote	No Vote
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7. COUNCIL BUSINESS

7A. COUNCIL DISCUSSION WITH HANDY LAW ON COUNCIL’S LEGAL REPRESENTATION

Key Considerations

- Handy Law is the Council’s new vendor delivering legal services
- It is important that the Council get to know the Handy Law team and vice versa to ensure a good partnership and understanding of each other’s needs and expectations

- Given that Handy Law is a new team for the Council to work with, this represents an opportunity for Councilors to revisit any legal questions they may have had previously and/or are just thinking about now, for a fresh perspective

Discussion Questions

- What is Handy Law’s understanding of the Council’s top priorities and responsibilities?
- Does Handy Law have a perspective on the Council’s role in meeting Act on Climate Mandates?
- Are there any roadblocks that stand in the way of the Council meeting its legislative requirements? If so, what can the Council do to address such roadblocks?
- What legal questions has the Council asked in the past that it would like to potentially revisit? Examples might include changes and/or language in the Bylaws or questions about Open Meeting Law requirements.

Council Actions

Required Vote Potential Vote **No Vote**

7B. COUNCIL DISCUSSION AND VOTE ON THE 2025 DRAFT EEC BUDGET PROPOSAL

Key Considerations

- Per a June meeting request, historical Council budgets and actual spend have been provided back to 2022 to help Councilors compare spend over time
- URI Cooperative Extension submitted an updated Public Events & Outreach proposal with an increased budget (from \$87.5k to \$100k), which the Education Committee has not been able to discuss formally
- On 7/10/2024, the C-Team received a request to compile a budget memo to provide supporting information for all proposed budget items. This will be provided following the July Council meeting

Discussion Questions

- Do the modifications to the 2024 Proposed Budget for the Council’s 2025 Proposed Budget align with its interests and priorities?
- Does the Council need more information to support any individual item proposed in the 2025 budget?
- Are there any areas that the Council does not want to continue to consider in ongoing 2025 budget discussions?

Council Actions

Required Vote **Potential Vote** No Vote

Recommended Vote Language

- **A motion to approve the 2025 EEC Budget Proposal:** A motion to approve the 2025 EEC Budget Proposal as presented by the Council’s Consultant Team, on July 18th, 2024, and to direct the Consultant Team to submit this budget to the utility (Rhode Island Energy) to file with the Public Utilities Commission as a part of the 2025 energy efficiency plan.
- **A motion to approve the 2025 EEC Budget Proposal, with amendments:** A motion to approve the 2025 EEC Budget Proposal as presented by the Council’s Consultant Team, on July 18th, 2024, with the following amendments *{state amendments}*, and to direct the Consultant Team to submit this budget to the utility to file with the Public Utilities Commission as a part of the 2025 energy efficiency plan.

8. PROGRAM OVERSIGHT

8A. RHODE ISLAND ENERGY UPDATES ON 2024-2026 CONNECTEDSOLUTIONS DOCKET PROCEEDINGS

Key Considerations

- The Company has provided a memo that gives an update on the Commission’s rulings related to the ConnectedSolutions Plan filing
- The Commission approved a three-year budget for the Company’s ConnectedSolutions Plan, but did not rule specifically on any individual component of the program design and implementation
- The Commission did not approve an allocation to the Council as part of its approval of the Company’s plan

Discussion Questions

- Given that the Commission did not rule on individual components of program design and implementation, does that mean that the Company will run the programs as they were filed?
- What, if any, changes will the Company make to the proposed ConnectedSolutions Plan based on the outcomes of the Commission’s rulings?
- When can the Council expect updates from the Company on the implementation of the ConnectedSolutions Plan this year and in the future?

Council Actions

Required Vote

Potential Vote

No Vote

8B. RHODE ISLAND ENERGY PRESENTATION ON THE 2025 PLAN DRAFT

Key Considerations

- This presentation covers quantitative information on the first draft of the 2025 EE Plan, including sector- and program-level budget and savings and cost of energy efficiency versus cost of supply

- It also includes qualitative information on the justification framework, highlights potential sources of alternative funding, and references some of the key themes of stakeholder comments that were received on the first draft narrative of the 2025 EE Plan
- Information on changes for Connecticut’s energy efficiency program budgets and development of a new cost test in Connecticut are also highlighted

Discussion Questions

- What are the key drivers behind the Company’s propose to reduce electric budgets compared to the 2024 plan across all three sectors?
- How much of the increase in gas program budgets compared to 2024 is tied to new gas equipment?
- How does the Company envision using the justification framework as proposed on slide 10? For example, would a program need to have justification for all of the categories, some of the categories, or just any one category?

Council Actions

Required Vote	Potential Vote	No Vote
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8C. CONSULTANT TEAM PRESENTATION ON THE 2025 PLAN DRAFT

Key Considerations

- The C-Team focused its presentation on some highlights and observations from its initial review of the benefit cost models for the first draft of the 2025 EE Plan, including portfolio savings, budget, and cost-to-achieve, cost-effectiveness and cost-of-supply, and select sector highlights
- The C-Team will continue to review and provide feedback to the Company throughout the planning process, and will provide the Company with specific questions related to the BC Models
- Jurisdictional comparisons of key inputs and QA/QC of consistency between benefit cost models and the Technical Reference Manual are ongoing

Discussion Questions

- How will the Company achieve more savings at a lower cost-to-achieve, relative to the most recent actuals?
- What is driving the increase in planned activity for new gas equipment in the residential sector?
- How will the Company increase C&I savings from both non-lighting and custom measures to achieve planned goals?

Council Actions

Required Vote	Potential Vote	No Vote
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SUPPLEMENTAL MATERIALS

MONTHLY DATA SNAPSHOT

In last month's Councilor Briefing Memo, the C-Team highlighted that due to the transition from its legacy data-reporting system to its new one, the Company will be delayed in sharing program performance data through the end of May. We have heard since from the Company that this is not expected to be fully resolved until the end of July. The C-Team will begin distributing Monthly Data Snapshots to the Councilors as soon as possible once the Company's data reporting system transition is complete.

EE BUDGET TRACKER

OER has provided an update to the Council's budget tracker.

COUNCIL CALENDAR OF EVENTS

The Consultant Team has provided an update to the Council's Calendar of Events which includes meeting dates, topics, and milestones for planning activities related to the 2025 EE Plan.

COUNCIL NEWSLETTER

The Consultant Team has provided the July iteration of the Newsletter to the Council. The purpose of the Newsletter is to keep Councilors apprised of activities and developments that are relevant to the Council's interests, but that may not be able to be covered as topics on Council meeting agendas. The Newsletter covers a wide variety of topics such as updates on Future of Gas Docket proceedings, Equity Working Group and Executive Climate Change Coordinating Council (EC4) meetings, relevant regional energy news, and upcoming energy events.

CONSULTANT TEAM SECOND QUARTER BUDGET UPDATE MEMO

This memo provides the Council with an update on the Consultant Team's 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.

INITIAL DRAFT OF AUGUST COUNCIL MEETING AGENDA

An initial draft of the August Council meeting agenda is currently being prepared by OER at the time of publishing this briefing memo. Councilors are welcome to share any feedback once this is shared and posted.