



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EXECUTIVE COMMITTEE MINUTES

Thursday, January 11, 2018 | 10:00 – 11:30AM

Cafeteria Conference Room, Ground Floor, Department of Administration, Providence, RI

In Attendance: Chris Powell, Carol Grant, Betsy Stubblefield, Mike Guerard, Marisa Desautel, Rachel Henschel, Mark Kravatz, Nick Ucci, Sara Canabarro, Carrie Gill and Erika Niedowski.

All meeting materials can be viewed at: <https://rieermc.ri.gov/meeting/eermc-executive-committee-meeting-january-2018-rescheduled/>

1. Call to Order

Chairman Chris Powell called the meeting to order at 10:04am.

2. Approval of Meeting Minutes

Chairman Powell requested a motion to approve the meeting minutes from June 1st 2017. However, because Abigail Anthony is no longer part of the Council, Chairman Powell was the only other member present at the meeting in June.

Marisa Desautel stated that Chairman Powell could approve the meeting minutes by himself, since he was the only one present. Chairman Powell approved the meeting minutes from June.

3. Executive Director Report

a) General Update

Commissioner Grant reported that the PUC has approved the 2018 Energy Efficiency plan with some adjustments to which Mr. Guerard will speak during his updates. Commissioner Grant stated that there aren't any new updates on the National Grid Rate Case, but she will keep the Council informed of any changes.

4. Policy and Planning

a) Consultant Team Updates

- 2018 Energy Efficiency Programs & SRP Plans

Mr. Guerard reported that on December 20th at the PUC Open Meeting, the PUC deferred approving the 2018 Energy Efficiency Program Plan. The deferment was not due to any PUC concerns on the design and objectives of the EE Plan, and the requested changes had no impact on the overall program budget, savings and benefits approved by the EERMC at the October 19, 2017 meeting. As requested by the PUC, National Grid filed an Amended 2018 Energy Efficiency Program Plan with Revised Tables. The PUC held an Open meeting on January 9, 2018, and voted to approve the EE Plan with the revised tables. They also stipulated that the resulting Energy Efficiency Charge go into effect on January 11, 2018.

The changes in the tables stemmed from two specific areas of modification requested by the PUC. The first required change was to update the electric and gas fund balances that were included in the November 1 filing. Traditionally, National Grid has used an estimate of fund balances as of September in order to have final drafts reviewed by the Collaborative and submitted to EERMC in October. This year, the PUC

requested a more recent value to apply in order to assure a more accurate projected fund balance is used to inform the resulting EE Charge.

Based on that change, the updated fund balance for the electric side increased from an estimate of \$8,895,800 to \$10,898,350.

On the gas side, the updated fund balance moved from (\$2,260,100) to (\$701,100). For commercial and industrial customers, the EE Program Charge has decreased from the original proposal of \$0.727 per Dth by \$0.056 per Dth and is now \$0.67. Since the EERMC and OER budgets are based on a 2% allocation of the collected EE Charge (each gets 1%), the lowering of that charge resulted in budget cuts for the EERMC and OER of \$35,367 each, for a total decrease of \$70,734.

The second area for modification directed by the PUC involved the Demonstration Research and Development (pilots) portion of the EE Plan. While the PUC supported inclusion of these pilots in the EE Plan, they felt they should not be in the portion of the budget used to calculate National Grid's performance incentive. This resulted in Grid's planned shareholder incentive being decreased by \$111,778 for electric and gas combined. In approving the refiled EE Plan on January 9, 2018, the PUC did make a specific requirement for National Grid to submit reports on the pilots regarding results of the projects.

By using more up-to-date collection values and removing National Grid's stakeholder incentive for pilots, \$185,512 was freed up for reinvestment into EE programs. The final outcome leaves the total budget in the 2018 EE Plan consistent with the General Assembly's legislated Budget Cap.

A third request was also made by the PUC at the December 20 PUC meeting. While accepting the revised and enhanced method to calculate the cost of energy efficiency and cost of supply, they directed the parties to update the Standards for Energy Efficiency to include a section spelling out the specific methodology and rationale. The EERMC will need to drive this process in 2018, sufficiently in advance of the 2019 EE Plan being filed.

Ms. Stubblefield asked Ms. Henschel about National Grid's reaction to the request of the pilots' results. Ms. Henschel replied that National Grid is committed to doing a better job, and being more transparent about the results. She stated National Grid will provide presentations on a regular basis to the Council to keep everyone up to date with the projects.

Ms. Desautel suggested doing an open-meeting, or technical session with the PUC Commissioners, to ensure everyone is on the same page going forward.

- *2018 NEEP Partnership Agreement*

Ms. Gill gave a brief overview of two documents that outlined ideas for the Council to partner with NEEP. She noted that the budget for this project would fall under the 'as-needed expert services' if funding beyond National Grid's allocation is required. The C-Team, National Grid and OER are actively negotiating with NEEP to finalize an agreement. Chairman Powell stated that majority of the 'as-needed expert services' budget was already being allocated. Mr. Guerard noted that the budget for NEEP would not be out of the Council's budget, but National Grid's budget. Ms. Gill said she would clarify the budget question with Ms. Trietch, and update the Executive Committee.

- *Dunsky/Finance Expert 2018 Workplan*

Mr. Guerard reported that they spoke with Alex and Leslie from Dunsky, and they reviewed the proposed Scope of Work, and will be working directly with National Grid and supporting new products coming out. Chairman Powell asked to clarify where the \$9,000 budget is coming from. Mr. Guerard noted the budget is coming out of this year's budget, since the \$9,000 was rolled over from last year's. Dunsky is prepaid for ≈180hours, until the end of March 2018.

b) *Discuss Potential Policy Recommendations for Annual Report*

Commissioner Grant suggested that the four items from 2017 Annual Report, to be revised and added again to the 2018 Annual Report. She also suggested adding Promote and Protect Least Cost Procurement as a big bullet. Commissioner Grant noted that these items are extremely important to the Council's work, and the Policy Makers should be aware of that. Also, the 2018 Annual Report is due by April 15th, and from OER's perspective, it will look very similar to the 2017 report. Mr. Guerard added that the C-Team will support in writing the sections.

5. Updates on Energy Efficiency Programs and System Reliability Procurement

a) Review Preliminary Results of 2017 Energy Efficiency Programs

Ms. Henschel reported that National Grid is preparing their 4th Quarter Report, and will distribute the results for the Full Council's meeting in February. She stated that as of right now, on the electric side, 100% of the budget has been used, and they have 2 large C&I projects. On the gas side, they have reached 102% of the goal, and about 95% of the budget.

Commissioner Grant asked to connect with Ms. Henschel, so they can find a way to describe how the Street Lights Project has been extremely successful in Rhode Island, and other States are looking to Rhode Island's expertise. Mr. Ucci agreed with Commissioner Grant's statement, and expressed how tremendous the Street Light project has been in RI, and how OER should coordinate with National Grid about the outreach for 2018.

6. Council Business

a) Review Consultant Team Work-Plan and EERMC 2018 Budget

Mr. Guerard stated that the Consultant Team Work-Plan looks almost identical as the one discussed at December's meeting, but now that the Annual Plan is approved, the Budget is official, so the Council can now vote on the C-Team Scope of Work. Mr. Guerard suggested referencing Ms. Desautel's memo clarifying the Consultant Team representation of the Council, because it was a concern that Mr. Osada expressed while discussing the work at the December meeting. Chairman Powell agreed that the memo should be attached to the Scope of Work when presented at the Council next week.

Ms. Gill gave a brief update about the revised 2018 Budget. She called attention to the left green chart, which is the new budget, and the blue chart, the older version previously approved by the Council. Ms. Gill highlighted some changes including, a decrease in the total income for the EERMC; National Grid is now investing more money in evaluation which allowed the EERMC's Potential Study line item to be reduced; the Public Education line had been moved from the main account to the client-fund account; and the total unallocated funds has now increased.

Ms. Stubblefield asked when the C-Team will have the overall budget for the Potential Study available. Mr. Guerard replied that by mid-March, early April, they should have a clear projection of what the budget is going to be, and will make sure to present it during a full Council meeting.

b) Review Full Council Meeting Topics

Commissioner Grant reported the Council should focus on topics with priorities during January/February meetings, ahead of Legislation.

Chairman Powell stated he would like to focus on the timing of the meetings. He noted that he wants to make sure enough time is assigned to the items in the agenda, and sticking to the time listed is extremely important, so we can adjourn the meetings on time.

Ms. Henschel suggested adding more National Grid presentations about Customer Experience's, instead of focusing only on the planning aspect.

c) Review Council Member Performance, Attendance and Codes of Conduct

Commissioner Grant quickly went over the attendance sheet, stating that no Council members missed three consecutive meetings in a row. She suggested sending an email to the Council members to remind them about the attendance policy, and to review the Code of Conduct.

d) Discussion 2018 Member Recruitment

Commissioner Grant stated that the Environmental Role position is still open, and OER will continue to work on it since the Senate has to approve the candidate. As for the two non-voting positions, she suggests putting forward Mr. McAteer, who is extremely devoted to the Council, and Ms. Henschel. Chairman Powell asked if they can put forward multiple requests; Commissioner Grant replied that only one nomination can be put forward to the Senate to approve, but they can invite other candidates to attend the meetings.

e) Review Council By-Laws

Commissioner Grant noted that since the By-Laws were just updated, no new recommendations were made, aside from the Executive Committee meeting on a 'as-needed' basis. Chairman Powell suggested reminding the Council members to sign the Code of Conduct that complies with the State Code of Conduct.

f) Discuss 2018 Council Member Education Efforts

Mark Kravatz stated that the C-Team is focusing on four areas for Education Efforts in 2018. Their first effort is the Handbook for the Council; they hired a new intern, who is taking over that project, and will be reaching out to the Council members for feedback to add to the handbook.

The second effort is to focus on field trips. They are working with National Grid to put together field trips for Council Members to attend. Their new intern will be sending out surveys with different topics/suggestions for the field trip.

The third effort is a webinar series. These webinars are going to address the various topics from the handbook outline, and will be 2-3 minutes long. Mr. Kravatz added that he would like to add the webinars to the EERMC website, so this way both the Council Members and the public can access it. Mr. Kravatz also suggested he would like to add the webinar series to the monthly reoccurring EERMC meeting, so the members can have discussions about them. Chairman Powell stated that this is a great idea, and he would definitely like to incorporate viewing these short webinars in the full Council meetings.

Last, but not least, the fourth effort is the EERMC Retreat. Mr. Kravatz stated there is a preliminary list of four large topics they are currently working on for the retreat. These topics include, a deep dive into program offerings, which could possibly include how National Grid plans out its programs and how they are implemented; building on how to continue to engage the Council Members with the public; focusing on future and present Energy Efficiency topics to keep the Council member knowledge current; and, the fourth item is to look into the General Utility Business Model, what it is, how it works, and how does Energy Efficiency play into this model.

Chairman Powell requested to add the issue of Cost of Supply vs Cost of Energy Efficiency as an item, to try and find a way to make it easier for the Council Members to understand it. Ms. Stubblefield also requested to explain what is the definition of a Council member role, so they can better understand how their decisions/work/votes impact the world around the Council. Mr. Ucci stated he couldn't agree more with Ms. Stubblefield statement. He believes this would be a great opportunity to review Program Offerings, to integrate others, and remind members how important their role is.

g) Discuss frequency of Executive Committee Meetings

The frequency of the Executive Committee meetings will be based on member requests. Becca Trietch will communicate with Executive Committee members on a monthly basis to check if a meeting is needed.

7. Public Comment

No Public Comment was made.

8. Adjournment

Chairman Powell adjourned the meeting at 11:40am.