



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

EERMC FULL COUNCIL MEETING MINUTES

Thursday, July 19, 2018 | 3:30 - 5:30 PM

Conference Room A, 2nd Floor, Department of Administration, Providence, RI

Members in Attendance: Chris Powell, Carol Grant, Karen Verrengia, Shigeru Osada, Joe Cirillo, Joe Garlick, Michael McAteer, Roberta Fagan and Diane Williamson.

Others Present: Rachel Henschel, Mike Guerard, Mark Kravatz, Becca Trietch, Sara Canabarro, Carrie Gill, Erika Niedowski, Kat Burnham, John Richards, Matt Ray, Ben Rivers, Hannah O'Connor, Angela Li, Belinda Wong, Chon Wong, Jake Giacchino, Alex Kirby, Nicole Iannone, Laura Rodormer, Mona Chandra, Romilee Emerick, Erin Crafts

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-july-2018/>

1. Call to Order

Chairman Chris Powell called the meeting to order at 3:38PM.

2. Approval of Council Meeting Minutes

Chairman Powell requested a motion to approve the minutes for the June council meeting with revisions shown in track changes. Mr. Cirillo made a motion to approve the meeting minutes, and Mr. Garlick seconded it. All Approved.

3. Executive Director Report

a) General Update

Commissioner Grant reported that legislation was passed that requires an evaluation study of National Grid's energy efficiency programs. Ms. Trietch and Dr. Gill are leading the study on behalf of OER. She noted that no other legislation that passed has impact on the Council.

Commissioner Grant stated that all Council members should have a copy of the Clean Energy Jobs Report in front of them. She reported that there has been a 72% increase in clean energy jobs since 2014. She also noted that the 2018 Annual Report from National Grid shows 724 Efficiency Jobs, and the 2018 Clean Energy Jobs Report issued shows 9,338 efficiency jobs. She explained that there are three primary differences between the two reports:

- 1) Different methodology: The National Grid report counts full-time equivalents (FTEs), and the Clean Energy Jobs (CEJ) Report includes any jobs in RI in which the person spends ANY portion of their time on clean energy. Only 54% of them spend more than 50% of their time.
- 2) Different definitions: The National Grid report is the Company's reflection of solely those FTEs who work on National Grid's RI programs. The CEJ report includes those supporting efficiency products and services regardless of whether they are part of the National Grid programs.

- 3) Difference in geography of customers: The National Grid report is obviously restricted to those serving National Grid customers in RI. The Clean Energy Jobs Report counts employees whose products or services go to non-RI customers, and 25% of this year's respondents do identify their customers as being outside of RI. And on a smaller scale, anyone serving Pascoag Utility District or Block Island Power Co. customers are not counted by National Grid's report.

Lastly, Commissioner Grant reported that OER has posted a draft RGGI Allocation Plan, which is available on the OER website. The plan is now open for a 30 days for public comment period, and a public comment hearing will be held on August 16th at 9:00AM here at Dept. of Administration. There are three main investments:

- 1) Funding to support REF Initiatives, including \$1M for incentives to support solar on brownfields.
- 2) \$200k for Energy Efficiency measures in Pascoag – funding to be leveraged with ratepayer dollars.
- 3) \$180K for Energy Efficiency on Block Island – funding to be leveraged with utility funds.

4. Chairperson Report

Chairman Powell stated that today the Council will conduct some business including a discussion on last month's public comments about the RI Small Business program's qualification limit. We'll also vote on sponsoring the Energy Expo in 2019, and hear an update on the BOC training we decided to sponsor at our May meeting. He also noted that after the business updates, the Council will learn more about how evaluation studies are expected to impact the 2019 EE Plan drafts and what to expect in the first draft that we will see at our next meeting in August.

Chairman Powell reported that there are additional materials within everyone's packets that will not be discussed today, but are included for Council member information. These materials include:

A printed version of the Council's Annual report. Please let Becca or Carrie know if you would like multiple copies of the printed report, the electronic version was distributed electronically before the legislative session ended and is available on the Council website.

The EERMC Quarter 2 budget report is also in your packets. Please let Becca know if you have any questions.

Lastly, a memo from the EERMC Consultant Team on the status and plan for completing a large-scale potential study, intended to be funded over multiple years and completed before our next three-year plan.

Chairman Powell asked if Mr. Guerard had anything brief that he'd like to mention about the memo. Mr. Guerard quickly highlighted that this memo summarized the status of the multi-year process that will culminate in a new estimate of energy efficiency potential for use in program planning and goal-setting for 2021-2023. It also summarizes the timing of the key steps in this process and briefly explains the key steps.

Chairman Powell also stated that the Updated LCP Standards have been filed with the PUC and the hearing for those LCP Standard updates was held this week on July 17th. He asked if Mr. Guerard would like to give a brief update on how the hearing went. Mr. Guerard reported that the Hearing at the PUC turned into a technical session, and that they did not vote on anything. The C-team is working closely with

Marisa Desautel, OER and National Grid to make sure that the PUC will vote on the LCP Standards in time for incorporation into the 2019 Annual Plan.

Chairman Powell also reported that the information about the Collaborative has been added to the EERMC website. The Council will host this information temporarily while National Grid works to setup their own webpage.

Lastly, he noted that, as usual, there is a sheet with recommended discussion questions and vote language attached to Council member agendas and he asked that Council members please reference this document if they find it useful throughout the meeting.

Mr. McAteer announced that he is leaving the National Grid organization. He thanked everyone for being such an important part of his role while working there, and he added that being part of the EERMC has been a highlight of his career.

Chairman Powell stated that Mr. McAteer's last day is September 1st, and that he would like to have a celebration for him. Ms. Henschel noted that she would help and coordinate.

Lastly, Mr. Cirillo suggested that the Council to hold a meeting at Block Island at some point in the future.

5. Council Business

a) Small Business Customer Qualifications Discussion

Mr. Guerard gave a brief intro about the Small Business Program Design Update for the 2019 Annual EE Plan.

Mr. Rivers highlighted that the topics for discussion included: Enhancing Small Business program design; opportunities to expand the number of customers; and opportunities to expand depth of savings per customer.

Mr. Rivers went over the current participation in the small business program; small business savings and costs; and current eligibility criteria – customers are currently eligible to participate if they have an average monthly demand of <200kW. There is no eligibility criterion for natural gas consumption. Mr. Rivers also went over how we compare RI with other states, how Massachusetts has changed their small business program eligibility criteria, how annual energy use compared to demand for C&I customers in RI, and he went over resulting opportunities and considerations.

Chairman Powell asked if by raising the demand qualification cut off would solve the issue that the small businesses are having. Mr. Rivers indicated that raising the cut off to 300KW could access ~300 more customers with the Small Biz program. 100 of those are businesses classified as miscellaneous, the next largest group of added customers would be small manufacturers, then municipalities and schools, then accounts that are already part of a larger group such as Johnson & Wales, then supermarkets, and then multifamily/housing authorities. Therefore, he noted that raising the qualification limit to 300kW may increase the number of eligible businesses but most of newly eligible small businesses may not benefit from the small business program. Instead it might be more beneficial for them to go through a more tailored or custom program such as the C/I program or other tracks like the grocery initiative.

Chairman Powell also reminded everyone that the state of MA is a different entity, they have different programs and sectors compared to Rhode Island.

Mr. Rivers and Mr. Guerard restated that this is only in the investigation stage now. The final recommendation will be included in the 2019 Annual Plan draft. They noted that if anyone has additional input, or ideas to please reach out to them before the upcoming first draft.

b) View Energy Efficiency Program Case Study Video with Lifespan

Chairman Powell requested a motion to postpone this item until a later meeting because Mr. Magliocchetti couldn't make it to today's meeting. Mr. Garlick made a motion to postpone this item until a later meeting, and Mr. Cirillo seconded it. All Approved.

c) Review and Vote on Energy Expo Sponsorship in 2019

Ms. Trietch gave a high-level overview of the Energy Expo Sponsorship document. She stated that the sponsorship includes a focused show segment on energy at the RI Home Show; National Grid, EERMC, and OER booths will again be placed in the front concourse area of the show, and includes advertising and promotions. Ms. Trietch noted that there is also a special energy related feature and student training to be determined jointly with National Grid, the EERMC and OER.

Ms. Trietch stated that the total sponsorship range which is usually split 50/50 with National Grid is from \$80 to \$100K depending on the size and scope of the features chosen by the Council. To conclude, the sponsorship monies would support the promotion of energy, student learning and related consumer education.

Chairman Powell requested a motion to vote on the Energy Expo Sponsorship in 2019. Ms. Verrengia made a motion to include sponsorship of the Energy Expo at the 2019 RI Home Show, as described in the sponsorship description document, in the 2019 EERMC Budget with the amount of sponsorship dollars to be contingent on available funds; Mr. Cirillo seconded this motion. All Approved.

d) Update on Rhode Island Building Operator Certification (BOC) Trainings

Ms. Verrengia stated that Dr. Gill worked on the one-pager for the BOC Trainings included in Council member packets, and it looks great. She thanked Dr. Gill for her work on this. Ms. Verrengia noted that this one-pager has been distributed amongst many groups, and she has done a lot of personal outreach.

Ms. Verrengia reported that as of today, the registration is low. She stated that they can hold a class of 30 people, so they still have a lot of seats available. Ms. Verrengia added that the timing with summer vacations may be the reason for the low participation. She encouraged everyone to help spread the word about this training opportunity.

6. Energy Efficiency Program Oversight

a) Evaluation Study Impacts on the 2019 Annual Energy Efficiency Plan

Mr. Kravatz and Dr. Gill gave a brief introduction of the presentation. Mr. Kravatz went over the Evaluation Team, 2018 Planned Evaluations, the Evaluation Process, and the Intersection of Evaluations and Planning, which then leads to the development of the Annual EE Plans.

Dr. Gill went over where key EE Plan numbers come from, the EERMC Cost-Effectiveness Report, the Benefit-Cost Model, the Technical Referent Manual (TRM), how evaluations inform Plans, and what is currently happening in preparation for the 2019 Annual EE Plan. Dr. Gill also stated that at this stage of the process the Evaluation Team is completing many RI studies, communicating insights from studies to program implementers, and planning and budgeting for 2019 studies.

Dr. Gill highlighted three things to remember:

- 1) The evaluation process is rigorous and there is substantial accountability and oversight.
- 2) Evaluations tell us about casual impacts of EE programs, which will affect how much of which measures are included in future EE programs and how those programs are delivered.
- 3) Leveraging MA studies saves lots of money but timing is a logistical challenge during the planning process given the two states have different plan filing schedules.

Ms. Fagan asked how the evaluation teams determines who participates in the studies. Dr. Gill explained that they use surveys, and look at different data sources. Ms. Henschel added that National Grid is heavily focused on customer surveys and interviews.

Mr. Osada asked what percentage of the goal for 2019 could be affected by the evaluations coming in for 2019. Ms. Henschel answered that each program is evaluated at least one time within every three years and that the largest areas of savings (such as upstream lighting) are evaluated even more often.

Mr. Osada stated that he would like to see the range of realization rates for all measures. Ms. Henschel explained that seeing that range would likely not be meaningful regarding program energy savings since some measures make up more of the savings than others. Ms. Williamson clarified that she thought Mr. Osada was looking to understand what is or is not a good realization rate.

Ms. Verrengia stated that Council members do not need to be deeply involved in these evaluation processes and studies. She noted that the Council has the C-Team and OER to help with the studies and discussions.

Chairman Powell brought up the point that this might be a conversation that is too in-depth for a council meeting. If an individual member would like to learn more, the C-Team and OER are happy to work with Council members outside of the meetings.

Chairman Powell also asked if these evaluations are retrospective, and what else the company does to help innovate and improve the programs outside of pilots. Mr. McAteer explained that the pilot results are evaluated and often projected into the Benefit-Cost (BC) model. Mr. Kravatz added that other Energy Efficiency programs and results from around the country are constantly being looked at by the program team.

Mr. Osada asked about Table E-5 and if the cost values will change in the 2019 Plan, due to the change in the cost of supply vs cost of the Energy Efficiency test. Mr. Guerard and Ms. Henschel explained that the cost numbers in this table will not change, even though the customer cost may now be excluded in the cost of supply vs cost of the EE test.

b) National Grid Presentation: Overview of 2019 Annual EE Plan

John Richards gave an introduction of the presentation. He stated that this presentation will provide an overview of where National Grid stands today on future innovation and other efforts to meet the 2019 savings goals. The presentation will include: Status of the Navy CHP Project; Update on demonstrations; Program enhancements; and Evaluation Results.

Ms, Henschel gave a brief update on the Navy CHP project in Newport.

Chairman Powell asked if it will be problematic for RI to have National Grid adding this much gas load to Newport (since RI already has gas constraints). Mr. Guerard noted that the DPUC had asked very similar question during their review process, and that there will be a formal response from National Grid to the PUC on this matter.

Mona Chandra went over the C&I Demonstration Updates.

Ms. Verrengia asked what “Power Over Ethernet” is. Mr. Rivers explained that it is a way that fixtures can be powered and controlled through a power cord, instead of two separate wires.

Chairman Powell asked if the Gas Demand Response program is for Commercial and Industrial customers. Ms. Chandra said yes, and it is also being tested out in New York.

Angela Li went over the Residential Demonstrations Updates. She noted that the Connected Solutions program took three years to evaluate and drive down costs, but will now be part of the core offerings in 2019. Ms. Li finished going over the other pilots described on the slides.

Ben Rivers went over the 2018-2018 C&I Program Enhancements in the Electric and Gas programs.

Ms. Li went over the 2018-2019 Residential Program Enhancements. She highlighted that the ENERGY STAR Lighting program has the potential to contribute approximately 15,000 additional MWh in 2019 above what was planned for in the Three-Year Plan.

Erin Crafts presented on the C&I Evaluation Updates and Romilee Emerick presented on the Residential Evaluations.

Mr. Richards went over the Preliminary 2019 Annual Mwh Goals, the 2019 Program Charge and Budget and the current Timeline.

Mr. Osada asked if the Three-Year Plan Innovation line was impractical, given that not much innovation was found, but other savings were found in different ways. Ms. Henschel and Mr. Guerard responded that the Three-Year Plan was a commitment to find as much savings as possible and that Innovation was defined broadly to mean any program changes, including greater delivery of existing measures, that could produce more savings.

Mr. Osada expressed his concerns over the timeline of the First Draft of the Annual Plan. He stated that there isn't enough time to review all the materials provided, and to give good feedback. He noted that the Council needs to address this issue. He would like National Grid to be able to provide the data earlier than August.

7. Public Comment

No comments were made.

8. Adjournment

Chairman Powell requested a motion to adjourn the meeting. Mr. Cirillo made a motion to adjourn, and Ms. Verrengia seconded it. All approved.

The meeting was adjourned at 6:09PM.