

EERMC CONSULTANT TEAM

Memorandum

To: Energy Efficiency & Resource Management Council
From: Mike Guerard, Optimal Energy
Date: November 12, 2018
Subject: Summary of 2019 Scope of Work content and objectives

I. Introduction

Optimal Energy, Inc. (Optimal) and its partners (collectively the Optimal Team, or C-Team) appreciates the Council's decision to extend our work in support of the EERMC's objectives and mission for another year. For 2019, we propose to continue the critical core services that allow the EERMC to fulfil its key role in bringing the significant benefits all Rhode Islanders receive through effective application of the Least Cost Procurement law. Our proposal also features continuation of additional roles deemed valuable by the EERMC during 2018 in the areas of public education, stakeholder coordination and support, council member expertise building, and continued emphasis on innovation and focus on the future.

The C-Team proposes to maintain the majority of the 2018 Scope of Work (SOW) for its services to the EERMC in 2019. Consistent with the 2018 SOW, our approach remains to organize into three major work areas:

- EERMC oversight (day-to-day activities)
- Cyclical planning and reporting activities
- Policy and strategy

Collectively, these work areas address the varied roles that the C-Team plays over the course of the year as part of the three-year planning and implementation cycle to support the EERMC and the Office of Energy Resources (OER). For 2019, elements that will require new or expanded efforts than in 2018 include:

- Potential Study: develop objectives, scope of work, solicitation and selection of vendor and management/oversight of vendor activities, through close coordination with key stakeholders and regular reporting to EERMC
- Preliminary steps for regulatory submittal of Targets to be informed by Potential Study, as well as framing of areas to update Least Cost Procurement Standards as part of the upcoming activities for the Three-year Planning cycle.
- Expanded council member support through meetings, education to build expertise base, and discussions on constituency issues, as well as additional activities related to onboarding at least four new voting members set to fill expired terms or resignations.
- Continue and expand the stakeholder networking activities in support of awareness and support of Least Cost Procurement for all sectors and segments of rate-payers
- Close monitoring and as-needed participation in the increasing state focus on the broader energy and environmental issues relating to energy efficiency: strategic electrification, demand response, renewables and

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storage and other elements to be covered in multiple forums, most notably the recently launched Power Sector Transformation working group.

- Continue and expand services to support public messaging through assuming the lead on the development and production of the Annual Report to the General Assembly, and maintaining and improving the EERMC website

II. Staffing & Budget

Our management approach to the work will provide the EERMC with a small group of trusted advisors based in our Providence office who develop and maintain close working relationships with Council Members and key stakeholders. To meet the requirements of the work, we organize our tasks in three primary concentrations:

- Our Program Strategy and Innovation team will provide day-to-day oversight of LCP and system reliability programs and help National Grid identify innovative strategies to position programs for long-term success.
- The Policy and Regulatory team will supply the EERMC and other stakeholders with a sharp, consistent perspective on all energy issues that interface with LCP and the EERMC’s charge, while listening carefully to input from all parties.
- The Evaluation, Measurement & Verification (EM&V), Education, and Stakeholder Coordination team will support critical EM&V efforts that validate savings and help to continually improve program delivery, and will also provide Councilor, stakeholder, and public education on the process and value of LCP.

Optimal will utilize a strong internal team and key subcontractor partners to fully and effectively deliver all elements of the scope of work. Work assignments and roles will remain flexible to assure that the right staff, skill sets and availability are in place on all core tasks, as well as to address evolving issues. The proposed estimate for the three work areas is as follows:

<i>Responsibilities related to EERMC Oversight</i>		
	Hours	Total Cost
<i>Task 1: EERMC Oversight</i>	2298	\$401,210
<i>Task 2: Cyclical Planning & Reporting Activities</i>	1342	\$233,690
<i>Task 3: Policy & Strategy</i>	1369	\$241,360
WORK AREAS TOTAL	5,009	\$876,260

Pending approval of this direction, the C-Team will provide more detailed description of core activities, as well as the bulleted areas above listing new or expanded activities, as was done for 2018 in a more detailed scope of work to present in December.