



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL MEETING MINUTES

Thursday, January 16, 2020 | 3:30 - 5:30 PM

Hearing Room A, 1st Floor, Public Utilities Commission 89 Jefferson Blvd., Warwick, RI

Members in attendance: Chris Powell, Anthony Hubbard, Karen Verrengia, Butch Roberts, Kurt Teichert, Peter Gill Case, Joe Garlick, Bob White, Tom Magliocchetti, Bill Riccio, Roberta Fagan, Nick Ucci

Others Present: Mike Guerard, Mark Kravatz, Becca Trietch, Nathan Cleveland, Matt Ray, Matt Chase, Chris Porter, Joel Munoz, Dr. Carrie Gill, Hank Webster, Tim Roughan, Adrian Caesar, Rachel Sholly, Sydney Usatine, John Tortorella, Sam Ross, Angela Li, Paul Wassink, Ron Gilooly, Daniel Tukey, Pora Vuja, Todd Bianco.

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-january-2020/>

1. Call to Order

Chairman Powell called the meeting to order at 3:32pm

2. Approval of Council Meeting Minutes

Chairman Powell requested a motion to approve the December meeting minutes. Ms. Verrengia made a motion to approve December meeting minutes as written and Mr. Garlick seconded. All Approved.

3. Executive Director Report

a) General Update

Acting Commissioner Ucci delivered the Executive Director report as Commissioner Grant has officially retired as of Jan. 10 and the Governor has nominated Acting Commissioner Ucci to permanently fill the role, pending legislative approval. He also reviewed the Governor's recent commitment to 100% renewable by 2030 in the electricity generation sector and the next steps the energy office would be taking to scope out that effort. An update was provided on the [Electrify RI program](#) that is 85% subscribed leading to 65 level II and 11 DC fast charging stations being deployed. He also alerted the Council that voting for the ICC model codes had just been completed and that a number of strong efficiency measures were approved and over time will meaningfully improve building efficiency. Lastly, any Council member who is up for re-appointment this year will be contacted soon with next steps in that process.

4. Chairperson Report

a) General Update

Chairman Powell let the Council know that the consultant team will be providing updates at this meeting regarding the Public Utilities Commission (PUC) ruling in December that altered the heat pump for delivered fuels program for 2020.

He also informed everyone that the PUC will be holding several technical sessions in February on aspects of the 2021 planning aspects that all are welcome to attend, with Ms. Trietch sending calendar invites to the Council. For those unable to attend in person, the sessions will be live streamed and the videos are then posted for viewing after the session concludes on the PUC website (available here: <https://www.ustream.tv/channel/WqQyXw296dg>)

5. Program Oversight

a) Update on Public Utility Commission Rulings

Please refer to the [PUC Process and Decisions](#) presentation.

Mr. Guerard reviewed the filing process and timeline that led to the PUC ruling – including data requests, technical sessions, and hearings. The 2020 SRP plan was approved by a 3-0 vote; the 2020 EE plan was not approved by a 2-1 vote.

The reason the Commission voted not to approve the 2020 EE plan as filed was because of the inclusion of the residential electric heat pumps to displace delivered fuels program and the associated performance incentive for that work. Mr. Guerard indicated that the Commissioners voting against the plan because of this fuel switching program felt it was not justified through Least Cost Procurement and that the benefit to ratepayers was not sufficiently presented.

Mr. Guerard then explained the follow up steps that National Grid had to take in order to get plan approval, including re-allocating funding that had been allocated for the delivered fuels heat pump work. After re-allocating those dollars and re-filing updated electric budget tables to reflect that, there was an open meeting set for December 30th where the PUC gave final approval of the updated plan, in a 3-0 vote, and indicating that they will have some post-decision information requests regarding financing, specifically the Efficient Buildings Fund.

The removal of the heat pumps for delivered fuels program and performance incentive leaves a gap in the heat pump market in 2020 that stakeholders are working to address through multiple channels, including the Technical Working Group meetings.

Mr. Porter than briefly provided National Grid's perspective on the ruling, indicating that they were disappointed in its removal from the plan and troubled by the abrupt change in the program as it may lead to adverse impacts on customers unaware of the change from 2019. They are in the process of collecting data on customers in the heat pump pipeline currently and working to find appropriate solutions to address those affected.

b) Update on National Grid Large Commercial & Industrial Offerings

Please refer to the [National Grid Industrial Initiative](#) presentation.

Mr. Gilooly gave an overview of this initiative within National Grid's programming, which has been operating since 2015 looking to address the unique energy needs of industrial customers using Leidos as a lead vendor. Their efforts lead to lots of customized systems, personalized services, and process improvements. Leidos' approach to unlocking energy savings in this sector is to: conduct outreach, do site visits, generate technical proposals,

develop a workplan and incentive amounts based on scope, and then Leidos does project management of the installation and inspection.

Mr. Gilooly indicated that they had done 80 projects with 40 different customers in 2019, which accounted for over 10% of the savings achieved by National Grid in the Commercial & Industrial electric portfolio. He indicated that they also felt there was significant savings still available in this sector for 2020 and beyond and that some customers were expressing an interest in storage as well.

c) Presentation from National Grid on Demand Response

Please refer to the [Demand Response](#) presentation.

Mr. Wassink provided an overview of what demand response is and why National Grid is interested in doing this type of work. Because the grid is sized to serve historical peak load, reducing peak usage has significant value. Typically, the top 10% of hours of energy use in a year lead to 40% of the costs.

Both residential and commercial & industrial customers can participate in demand response programming with National Grid, though the Commercial sector provides the bulk of the savings realized (~85%). Customers can participate with batteries, wi-fi thermostats, and other controllable means of reducing load when demand response events are called. National Grid is looking to continue expanding participation in their DR programming to bring even more peak reducing devices online through their program.

6. Special Topics

a) Update on the Market Potential Study and the Target Setting Process

Please refer to the [Update on the Market Potential Study](#) presentation.

Mr. Ross provide an overview of the different buckets the results of the potential study would fall into, with the primary focus for the Council in the target setting process being between the Program Achievable and Max Achievable numbers. He then highlighted the key questions that Council members should be thinking about as we work to apply the potential study results to the target setting process, which are:

- Lifetime vs. Annual savings timeframe
- kWh/therms or MMBtu for savings units
- Balancing program and max achievable numbers.

7. Council Business

a) Discussion and Votes on Public Education Proposals for 2020

Please refer to the [Energy Expo Sponsorship packet](#) and the [Energy Fellow Justification](#) document.

Ms. Trietch provided context for each of the public education proposals. The energy expo sponsorship is in line with prior year's sponsorship of this event and provides and large public audience with which we can communicate about energy topics.

Mr. Garlick made a motion to approve of the 2020 sponsorship opportunity as presented, Ms. Verrengia seconded, and all approved.

Ms. Trietch then described the Energy Fellow opportunity, which would again support a URI Energy Fellow to support energy efficiency outreach to the agricultural community as it did in 2019.

Mr. Gill Case made a motion to approve funding for a URI Energy fellow as proposed, Mr. Roberts seconded, and all approved.

8. Public Comment

Mr. Bianco from the Public Utilities Commission introduced himself to the group and explained his role on the Commission staff. He urged anyone with questions about precedent or general PUC thinking on an issue to feel free to contact him with questions or to talk things through, as long as they are not active dockets. He also provided some context on the fuel switching incentive from the EE plan and indicated that a written order from the Commission on this matter would be forthcoming which would provide additional information from the Commission.

Mr. Webster from the Acadia Center introduced himself and expressed their disappointment with the delivered fuels heat pump program being removed from the EE plan, especially without a clear pathway to move forward. They are concerned about the market disruption and customer impacts of the PUC's decision on this developing market segment. He also indicated that the Governor's new 100% renewable by 2030 target is linked to the promotion of heat pump technology and hopes that we can all work together to move this market forward in spite of this ruling.

9. Adjournment

Chairman Powell called for a motion to adjourn the meeting. Mr. White made a motion to adjourn, which Ms. Verrengia seconded. All Approved and the meeting was adjourned at 5:49pm.