**Call to Order**

Acting Chairman Hubbard called the meeting to order at 3:37pm

**Approval of Council Meeting Minutes**

Mr. Riccio made a motion to approve the July meeting minutes as written, Mr. Garlick seconded. All approved by roll call vote

**Executive Director Report**

*a) General Update*

Commissioner Ucci provided an update on the current Regional Greenhouse Gas Initiative (RGGI) auction proceeds allocation. The Office of Energy Resources (OER) published the most recent plan for public comment on their website with the intended allocations for the next plan, totaling $3.6MM. The specific allocation breakdown can be found on OER’s website here: [http://www.energy.ri.gov/documents/rggi/2020%20Plan%20Items/2020-B%20PROPOSED%20RGGI%20Allocation%20Plan%208-6-20.pdf](http://www.energy.ri.gov/documents/rggi/2020%20Plan%20Items/2020-B%20PROPOSED%20RGGI%20Allocation%20Plan%208-6-20.pdf)

Anyone interested in making public comment can do so in writing or via email to OER; Sept 8th at 11am will be the public hearing on Zoom for this allocation plan and instructions to join on this meeting and comment are on the Secretary of State’s website.

**Acting Chairperson Report**

*a) General Update*
Acting Chari Hubbard reviewed today’s agenda for the meeting, including several items to be voted on by the Council. He noted that all meeting materials are available on the EERMC website for those who want to see those and/or follow along.

He also noted the Quarter 2 report on National Grid’s EE program is posted on the EERMC website and will be covered in more detail at a future meeting. Acting Chair Hubbard asked the Consultant Team if there was anything in the Quarter 2 report that should be flagged for the Council at this time, to which Mr. Guerard replied that he is intending to have a more in depth conversation on some of the issues in the 2nd quarter report at the forthcoming Council retreat.

Acting Chair Hubbard encouraged Council members who have not responded to the poll trying to set a date in September for this retreat to please respond promptly, and noted that the poll will be re-circulated via email today.

Lastly, he informed everyone that the Public Utilities Commission (PUC) adopted the new Least Cost Procurement (LCP) standards on July 23rd but a final version of that document has not been posted. As soon as it is available, it will be shared with Council and posted on the EERMC website once available. As a result, the Council’s October meeting will be held on October 8th pursuant to the vote taken at our last meeting.

5. Program Oversight
   
   a) Update on COVID-19 from National Grid

Mr. Porter highlighted that National Grid is pleased with the continued traction of remote audits and highlighted that 2500 Virtual Home Energy Audits (VHEAs) have been delivered across both the market rate and income eligible programs to date. Relatedly, the 100% incentive for weatherization upgrades has been extended, which is helping drive customers to action in this area. This has helped lead a strong recovery of the efficiency workforce as a pipeline of projects has been developed as a result of the VHEAs and contractors feel confident bringing furloughed or laid-off staff back as a result of this pipeline. National Grid is considering continuing to offer virtual assessments post-COVID as an additional option for customers given how well it has worked in 2020.

Lastly, Mr. Porter noted that Massachusetts recently put into place travel restrictions for Rhode Island, which caused concern as many contractors work in both jurisdictions. Fortunately, Massachusetts’s officials and National Grid were able to make clear that as long as safety guidelines are followed contractors will not precluded from doing work in both jurisdictions or be required to quarantine, which allows for work to continue unrestricted in both states.

   b) Review & Vote on National Grid’s Request to Move the November Council Meeting

Ms. Trietch updated the Council that because of newly adopted Least Cost Procurement standards the filing dates for the energy efficiency and system reliability procurement plans have been adjusted. As a result, National Grid has requested that the November Council meeting be moved up one week to allow for a vote as close to this new filing deadline as possible.

Mr. Riccio made a motion to move the November Council meeting from November 19 to November 12 and Mr. White seconded. All Approved by roll call vote.
c) National Grid Presentation on First Draft Three-Year System Reliability Procurement (SRP) Plan

Please refer to the National Grid Presentation on the First Draft Three-Year System Reliability Procurement Plan presentation.

Mr. Chase noted for the Council that this year is the first time System Reliability Procurement (SRP) will have its own three-year plan separate from the energy efficiency plan, where it was traditionally housed.

SRP’s main objectives, at present, are through the scoping, sourcing, and implementation of non-wires alternative (NWA) projects that reduces or defers traditional infrastructure investments in the electric grid. Non-pipe alternatives (NPA) are being researched and explored as part of this upcoming three-year plan as well.

Mr. Chase highlighted for the Council the difference between the Infrastructure, Safety, and Reliability (ISR), System Reliability Procurement (SRP), and Energy Efficiency (EE) dockets and the reasoning for why certain projects are moved forward in the different dockets, as well as who all the stakeholders are and in what arenas they participate in the SRP plan development process.

Mr. Chase noted that the Company is currently reviewing recently submitted stakeholder comments on the first draft and the second draft will be circulated on September 11th. After the second draft all stakeholders will have until October 1st to provide comments that will then inform the final draft for filing that will be circulated on October 19th and voted on at the November Council meeting.

Mr. Chase then described that there is a $0 funding request for SRP in this plan, as they are in a maintenance phase and National Grid covers the current costs for marketing and system data portal maintenance. He did note that as discrete individual projects move forward, if funding is required as a result of those proposals, they will be considered at that time and funding sourced as needed.

He then reviewed the five specific asks that the SRP plan contains of the Public Utilities Commission (PUC) and described in a bit more detail what they each entail as it relates to how National Grid would receive funding or incentive payments for those tasks.

d) Consultant Team Presentation on First Draft Three-Year System Reliability Procurement (SRP) Plan

Please refer to the Consultant Team Presentation on the First Draft Three-Year System Reliability Procurement Plan.

Mr. Ross reviewed the comments that stakeholders provided on the System Reliability Procurement (SRP) Three-Year Plan. Some key takeaways were the need for additional details aligning the plan as written with the Least Cost Procurement (LCP) standards and providing additional information for in the non-wires alternatives (NWA) chapter around the identified needs and how the new LCP standards will be applied to those.
Additionally, Mr. Ross noted that some of the key calculations included in the plan need additional information and/or context on how they were derived in order to allow for thorough evaluation by stakeholders. He let everyone know that the Consultant Team and other stakeholders will be continuing to provide feedback and oversight as the next draft(s) of this plan are developed prior to the November vote.

Mr. Teichert asked how the proposed performance incentive structure for SRP differs from the previous versions and if the questions posed by the Consultant Team explored that at all. Mr. Ross replied that their questions were more about how the savings were calculated from specific projects and what level of certainty the Company had regarding the grid needs and constraints identified, as well as how validation of estimated savings will be decided. All of which will have impacts on what their earning opportunity will be in the current performance incentive structure.

e) National Grid & Consultant Team Presentation Evaluation, Measurement & Verification (EM&V) Update

Please refer to the [Evaluation, Measurement, & Verification presentation](#).

Mr. Johnson reviewed what Evaluation, Measurement, & Verification (EM&V) is and why its important, as well as who participates in this process. EM&V is the practice of measuring and verifying that the efficiency program is delivering the benefits that it is claiming to provide as well as providing suggestions for program design, effectiveness, and enhancement as the market changes.

He noted that the Oversight team is for this work is comprised of representatives from the Office of Energy Resources (OER) and Consultant Team. They work collaboratively with National Grid and independent evaluation vendors that are selected by Request for Proposals to conduct various studies and analyses and monitor program performance. This oversight group meets twice per month to review updates associated with all ongoing studies and Mr. Johnson noted that Rhode Island is often able to leverage results from studies conducted in Massachusetts, rather than conduct their own, given the similarity in the markets.

Mr. Johnson then described how study results are incorporated into the energy efficiency programs and plans, through updates to the Rhode Island Technical Reference Manual, which are the numerical values that get incorporated into the program benefit-cost models to develop plans and shows up in the costs and benefit tables in the annual and three-year plans.

Ms. Crafts discussed some of the recently completed Commercial and Industrial studies that will inform the 2021 and three-year plans. Based on the results of these impact studies, realization rates for certain programs are adjusted, which serves to either increase or decrease the claimable savings, and thus the calculations made in plan development for what future programs can be expected to achieve.

Ms. Emerick then discussed some of the recently completed residential sector studies that will inform upcoming plan development. As with the Commercial and Industrial sector, the impact studies adjust the realization rates for a number of programs and both decreases and increases in
Claimable savings were found. Those adjustments will be incorporated into the final version of the plans. Additionally, process evaluations for certain programs identify areas of improvement in the delivery of specific programs, which don’t impact savings or goals, but do inform and improve the delivery of the programs to customers.

Acting Chair Hubbard asked about the usage and leveraging of Massachusetts studies in certain areas of EM&V, whereas the non-participant study Massachusetts did couldn’t be leveraged for Rhode Island and was curious why that was. Mr. Ray indicated that it was because the non-participant study looked at specific demographics unique to Massachusetts and those areas being studied and because of those unique differences that isn’t translatable to Rhode Island in the same way an impact study for a specific measure would be.

f) National Grid Update on Energy Efficiency Three-Year and Annual Plan

Please refer to National Grid’s Update on Energy Efficiency Three-Year and Annual Plan presentation

Mr. Ray went over some updates to the plan and planning process in advance of the next draft of the plan to be distributed next week. He noted that there will still be differences between savings goals and targets for each of the three years as prudency and budget considerations are now being factored in. Also COVID-19 impacts have not yet been factored into these numbers yet, which may bring further changes.

He mentioned that National Grid has been working to engage with its vendor network, stakeholders, and other experts to identify key barriers to reaching higher savings goals and discuss strategies that are being considered to overcome those.

Ms. Li then discussed residential envelope barriers, where much insight has been provided on this issue and more information is coming to light as conversation continue. Pre-Weatherization barriers are more significant than anticipated and completely prevent the implementation of efficiency measures without mitigation (things like mold, knob & tube wiring, and asbestos). Almost 50% of customers have some sort pre-weatherization barrier and only 25% of those customers address those issues and move on to complete weatherization work. Of those with no existing barriers, almost 60% do not move forward to implement the weatherization work. Determining why that is and what factors contribute to that is a key consideration being investigated to improve conversation rate here. Ms. Li also reiterated that budget is a big issue for many of these customers and National Grid is also looking into what other issues besides pre-weatherization and budget hold customers back, as this may be as much as 20% of customers.

She did that additional work is being done to identify ways to provide support to clear/mitigate these pre-weatherization barriers in consultation with other stakeholders. Regional Greenhouse Gas Initiative (RGGI) funding will be providing some enhanced incentives for moderate income customers in 2021, for example. Ms. Li also discussed the relationship of workforce across the energy sector and the ramp up of numerous measures/programs. Since the energy workforce aging National Gris is working to
establish relationships with technical schools to develop the future energy efficiency workforce pipeline to help replenish labor supply.

Additionally, she mentioned that the Heating, Ventilation, and Air Conditioning (HVAC) program will need to ramp up the number of customers served considerably to hit potential study targets, which will take time. Also timing that intervention from National Grid before/near end of useful equipment life is critical, as most of work is done on equipment failure and efficiency programs need to be a part of that calculus to achieve maximum results.

Mr. White asked what a moderate income customer is? Ms. Li replied that they are defining it as customers with an Area Median Income of 60-80%.

Mr. White also asked if propane customers were counted as part of the assessment of gas heating customer potential. Ms. Li replied that this assessment was specific to natural gas and that propane customers would have their own set of barriers to overcome that may be different than these. She also indicated she can share customer numbers currently using propane to the Council after the meeting.

Lastly, Ms. Li discussed hot water heating, which was the other main category flagged for improvement in planning meetings. She noted that the majority of the identified potential is with low-flow showerheads and faucet aerators, whereas the program has traditionally been focused on hot water heating equipment specifically. Codes & Standards work is looking to address this issue by raising baselines where more efficient showerhead and faucet equipment becomes standard and they are choosing to address that opportunity through that channel rather than drastically reworking the program to deploy more of this equipment. The company is also looking to make sure as many qualified customers are signed up for the discount rate as possible, both to receive the 25% bill savings and to qualify for 100% incentive on equipment upgrades.

Ms. Chandra reviewed the process that has been undertaken for the Commercial and Industrial sector to identify and overcome barriers to reaching higher targets. As has been mentioned before, as lighting savings dissipate, the measure mix changes to deeper, more expensive and complex measures to implement and thus have a higher cost per unit of savings achieved. She noted that the main barrier categories are similar to the residential sector, such as costs, access to financing, workforce limitations, and customer awareness and operational expertise. National Grid is looking to increase financing options available to customers, provide behavioral incentives and training to ensure continued efficient operations and lasting savings, as well as market education and marketing to attract more customers to the programs. Similarly, Ms. Chandra noted that the jump from recent program performance numbers to potential study quantities required to hit the mid or max scenarios require significant ramp up in volume and will take time to achieve.

Mr. Rose briefly discussed National Grid’s focus on workforce development, given that it is a key barrier and area of focus for the Company to understand the needs to hit potential study numbers and to address the shifting labor force. National Grid is looking to quantify current and future workforce gaps, help to upskill and upsize the workforce to meet shifting needs, and work to build the energy efficiency workforce pipeline through partnerships with educational entities and other training related groups.
Mr. Ray closed by highlighting that for the newly incorporated equity strategic priority there would be a dual track for progress. There will be both an evaluation and analysis through non-participant study and collection of more equity specific data/metrics as well as a programmatic approach to having an equity working group established that works alongside stakeholders and community members to further program achievement on this dimension.

6. Council Business

a) Update on the Council’s Legal Services and Consultant Services Request for Proposals (RFPs)

Ms. Trietch indicated that the consultant services Request for Proposals (RFP) has closed and interviews will be taking place next Friday. All Council members have invites to those meetings if interested in participating and Council members with questions on this process, or progress, can reach out to Ms. Trietch at any time.

7. Public Comment

None.

8. Adjournment

Acting Chairman Hubbard called for a motion to adjourn the meeting. Mr. Riccio made a motion to adjourn, which Mr. Garlick seconded. All approved and the meeting was adjourned at 5:37pm.

Outstanding Council Member Questions Requiring a Written Response:

None.