Members in attendance: Anthony Hubbard, Karen Verrengia, Nick Ucci, Peter Gill Case, Joe Garlick, Bill Riccio, Kurt Teichert, Tim Roughan, Matt Ray

Others Present: Nathan Cleveland, Dr. Becca Trietch, Mike Guerard, Sam Ross, Adam Jacobs, Adrian Caesar, John Richards, Evan McCune, Kevin Rose, Hank Webster, Jill Goodman, Kai Salem, Josh Kessler, Ben Rivers, Lance Waranis, Laura Rodormer

All meeting materials can be accessed here: https://rieermc.ri.gov/meeting/eermc-meeting-june-2021/

1. Call to Order

Acting Chair Hubbard called the meeting to order at 3:01pm.

2. Approval of Council Meeting Minutes

Acting Chair Hubbard asked for a motion to approve the May Meeting minutes. Mr. Gill Case made a motion to approve the minutes from the May meeting. Mr. Garlick seconded and all approved by roll call vote.

3. Executive Director Report

Commissioner Ucci provided updates regarding legislation on energy efficiency topics, including Senate Bill 634, which passed the Senate and is pending review by the House. That bill would extend Least Cost Procurement law until 2036, as well as change the regulatory funding formula for the Council and the Office of Energy Resources, which would result in the Council receiving ~$200,000 a year in additional revenue per year.

Mr. Gill Case asked for a clarification of the history and split percentages of the regulatory funding.

Commissioner Ucci indicated that historically the regulatory budget was 2% of the System Benefit Charge (SBC) revenue collected by the energy efficiency programs each year split evenly between the two organizations. This bill would increase the regulatory budget pool to 3% of the collected SBC revenue, and also adjust the split of that pool to be 60% going to OER and 40% going to the Council. As a result, each agency would receive more funding in the future if this bill passes.
4. Acting Chairperson Report

Acting Chair Hubbard reviewed the agenda for today’s meeting, including the votes taking place at today’s meeting, and highlighted the materials that will not be discussed during the course of today’s meeting but were made available for Council review.

He also reminded the Council that anyone wishing to have a one-on-one conversation with the Consultant Team about the 2022 Energy Efficiency planning process, or any other topic, should reach out to Mr. Guerard directly to schedule one.

5. Council Business

a) Review & Vote on Consultant Team 2021 Scope of Work & Budget

Please refer to the [Consultant Team Memo on 2021 Scope of Work & Budget](#)

Mr. Guerard reviewed the memo prepared for the Council outlining year-to-date achievement of assigned tasks to the Consultant Team and their spending to-date to achieve those tasks. The memo includes several areas for which the 2021 scope of work did not anticipate significant, or any, work from the consultant team and the resultant impacts on the budget that has created. Those areas are: Extended Public Utilities Commission (PUC) review of the 2021 Plan; Pending Sale of National Grid; State Policy and Legislative Changes

The extended review of the 2021 Energy Efficiency plan before the PUC – especially surrounding the Performance Incentive Mechanism (PIM), added a number of stakeholder meetings and commission workshops not anticipated when the original scope of work was drafted. Additionally, the proposed sale of National Grid to Pennsylvania Power and Light (PPL) could introduce a lot of uncertainty to the 2022 planning process, given that the plan is being developed prior to the sale and would be implemented afterwards by the new owners and it is unclear what their priorities around energy efficiency are. Moreover, Rhode Island has historically been closely connected to the work being done by National Grid in Massachusetts and has been able to leverage studies and resources across both territories and it is unclear if that will still be possible after the sale and what impacts that may have. Lastly, legislative changes brought forth by the General Assembly, such as the recently passed Act on Climate and the proposed 100% Renewable Energy Standard, pending Least Cost Procurement Extension, and other bills that may be enacted have yet to have their impacts realized. Taken together, these unforeseen changes and layers of uncertainty are creating extra works and new categories of oversight the consultant team needs to provide.

Mr. Guerard also reviewed the historical budget for the consultant team over the past six years, as well as any years in which the scope of work and/or budget was adjusted and the reasons for those shifts. Based on all of these factors, the consultant team is proposing to increase their budget for 2021 from $631,000 to $700,000, to cover these additional work areas with the understanding that any funds from that increase are used only if needed and any unspent funds return to the EERMC.

Mr. Teichert asked to clarify the request to the Council; is it simply to approve a budget increase or to also review additional work that would fall under this “extended service” increase?
Mr. Guerard indicated that the Office of Energy Resources (OER) reviews their monthly budgets and would be responsible for any financial oversight, and that additional work being done would be summarized at Council meetings during presentations as well as being noted in the quarterly reports provided to the Council, so no additional review is being asked of the Council.

Mr. Gill Case indicated that he was supportive of the increase.

Mr. Riccio asked what funding the Council has available and if the State fiscal year (ending June 30th) impacts this decision at all?
Mr. Guerard replied that the Council budget is based on calendar year and the energy efficiency planning process (also on the calendar year cadence) as the funds used to pay the consultants come through energy efficiency program.
Mr. Cleveland indicated that the Council had ample unallocated money to support this budget increase request if they so choose and reviewed the amount of consultant spending year-to-date.

Mr. Riccio noted that when the sale was announced the expectation was that this was a year or more away and that it wouldn’t impact anything process-wise and wanted to understand what has changed that would impact the workings of the Council such that budget increase is needed?
Mr. Guerard responded that the impact of the sale is being realized because we are planning now with one utility to create a plan that may be implemented by another utility and that creates a need to understand those implications as best we can now in order to plan accordingly, especially as it relates to ability to leverage, or not, work from Massachusetts.
Mr. Riccio stated that he views the change as more of a corporate name change, rather than a process shift that would have impacts on how the Energy Efficiency plan is developed or how the Council operates. He asked if there is someone, like the Office of Energy Resources, that the Council can tap for review of this proposal and comparison to the existing consultant contract to see how it compares to what their original scope was? Or is there a way to more granularly determine what tasks more time has been spent on that were over and above expectation?

Mr. Garlick asked what are the Council might be at risk of losing if they didn’t vote to increase the budget now? Is there an imperative that we act now or risk losing service?
Mr. Guerard indicated that having this increased budget approval now allows the consultant team to be responsive in real time to issues currently outside the scope that may need addressing, rather than waiting for them to arise and then seeking approval at a future Council meeting, as well as allowing him to better plan for and allocate their time to ensure all issues are covered during planning process.

Ms. Verrengia made a motion to approve the requested $69,000 increase in funding allocated to consultant services in 2021 and to approve the proposed changes to the consultant scope of work as written by Optimal Energy. If any of this funding increase is unused by the end of 2021, the remainder shall return to the unallocated pool of the EERMC’s funds for 2022. OER shall also update the contract with the EERMC to reflect these budget and scope of work changes. Mr. Garlick seconded the motion and it passed by a 5-1 roll call vote. Acting Chair Hubbard, Mr. Gill Case, Ms. Verrengia, Mr. Teichert, and Mr. Garlick voted in favor and Mr. Riccio voted in opposition to the motion.
b) Discussion & Vote on Review Committee Recommendation for K-12 Energy Curriculum Training Proposal Selection

Please refer to the Review Committee Recommendation Memo

Dr. Trietch summarized the Request for Proposals (RFP) review process and the recommendation memo put forward by the Council review committee.

Ms. Verrengia stated that she was very excited about the Green Building Research Institute (GBRI) proposal and the talent behind their proposal, however, their budget amount for those services was very high and that ultimately led to the Committee’s desire to re-bid.
Mr. Roughan shared that he felt that GBRI submitted a better proposal but the pricing was much higher than anticipated or expected for this task, which gave him pause about moving forward.
Mr. Garlick commented that the cost for GBRI’s proposal cost came in about two and a half times higher than our expectations.

Mr. Riccio asked if we could engage GBRI to negotiate a contract that meets the budget expectations rather than rebidding the entire RFP?
Dr. Trietch responded that the Council does have the right to negotiate if they so choose.

Mr. Garlick commented that there was also a hope that the Council could sharpen the proposal a bit to better address our core expectations, so that desire combined with the fact that there was not too much time pressure led the Committee to recommend the re-bid.
Ms. Verrengia noted that she was supportive of the idea to negotiate first, since worst case is we need to rebid anyway.
Mr. Roughan stated that he did feel that there is a time crunch if we want to have this ready for start of next school year, but supports a negotiation with GBRI first.

Mr. Garlick commented that if a budget of $45,000 was made public during the question and answer portion of the bid process that he doesn’t think its fair to negotiate with a larger budget, and so it should be $45,000 or under that we authorize, otherwise we should rebid.

Mr. Teichert made a motion to recommend Office of Energy Resources staff begin contract negotiations with GBRI to determine if a scope of work can agreed upon be that fits within the Council budget of $45,000. Should that not be possible, direct the Office of Energy Resources to update the Request for Proposals and reissue it within the next three weeks. Mr. Garlick seconded the motion. All approved by roll call vote.

6. Program Oversight

a) National Grid Presentation on the 2022 Plan Outline Memorandum

Please refer to the National Grid Presentation on the 2022 Plan Outline Memorandum

Mr. Richards reviewed the purpose of the memo, which is to provide early insights on the Energy Efficiency plan to stakeholders and highlight key new areas of focus or areas of change from prior
plans. He stressed that this memo is not meant to be comprehensive like a full draft and does not include savings, budgets, or benefits calculations as those are not available at this early stage. Mr. Richards did note that the memo does try to incorporate the stakeholder feedback received from the Technical Working Group meetings in order to be responsive to those.

Ms. Goodman reviewed the focus areas for the Residential Sector, of which there were 6 outlined in the memo:

- For the Multifamily program: a bring your own subcontractor program; exploring more financing; potentially adjusting market segmentation to better fit existing customer groups in the sector
- For the Income-Eligible Services program: an increased focus on triple-decker buildings; creating goals for the third-party weatherization vendor to hit in supporting the Community Action Programs; a customer education campaign on thermostat temperature controls
- Deepen customer relationships and increase participation across the board
- Drive comprehensive measures by tailoring programs to technology and customer based opportunes
- Support the energy efficiency economy as it recovers from COVID-19 losses
- Leverage comprehensive evaluations from the participant and non-participant studies to better serve customers

Mr. Rivers than reviewed some of the focus areas in the Commercial and Industrial sector, including:

- For the small business program: expand weatherization and heating, ventilation and air conditioning with controls opportunities; increase emphasis on lighting with controls; focused outreach to women and minority owned businesses
- Utilize research findings commissioned from Slipstream, which include: an increased focus on non-lighting measures from the market potential study; prioritizing program changes, incentive enhancements, and training activities focused on areas of opportunity from the market potential study and non-lighting technologies; reduction of the identified barriers for these opportunities.

Mr. Kessler reviewed some additional Commercial and Industrial areas of focus, which included:

- Training & Upskilling the workforce, particularly around raising awareness of new opportunities/technologies, improved heating, ventilation and air conditioning performance, and focusing both on customers and industry professionals as well as internal sales staff as subjects of these training opportunities
- Clarifying the retro-commissioning process for customers, including adding new tuning measures to the offering, and expanding the Monitoring Based Commission system offering.
Mr. Richards then reviewed the next steps in the planning process so everyone is aware of the upcoming milestones and deadlines in that process.

Ms. Verrengia indicated that she was interested in the new training and certification options and hopes those efforts can extend to schools and local agencies - like Providence Housing - and provide training and upskilling to on-staff technicians.

Mr. Riccio noted that the State is building a lot of new schools and commissioning and retro-commissioning is a big issue with those facilities, and so making sure there are well-trained professionals to ensure these buildings are operating as expected is very important.

b) Consultant Team Perspectives on the 2022 Plan Outline Memorandum

Please refer to the Consultant Team Presentation on the 2022 Plan Outline Memorandum

Mr. Guerard reviewed the memo and provided some general notes about its consistency with prior versions and that it includes all key elements of the plan for review. He noted that the memo is also responsive to stakeholder comments and priorities and appropriately references several factors that will impact the benefit-cost model for 2022 – including the updated Avoided Energy Supply Costs (AESC) study and the adjustment in macroeconomic benefit calculations based on a review made by the Division of Public Utilities and Carriers (DPUC) and its consultant.

Mr. Ross then covered some expected enhancements as we move into the first draft to ensure strong stakeholder review. Those expectations cover the inclusion of numbers on cost-effectiveness and cost efficiency, budget, total savings, and net benefits - both the Rhode Island Test and the Performance Incentive Mechanism(PIM) subset of benefits - and rate and bill impacts, which is a clear Public Utilities Commission (PUC) priority.

Mr. Ross also indicated that the consultant team anticipates more specific, concrete outcome-oriented commitments rather than the many instances of “explore”, “consider”, or “research” in the memo. Mr. Ross also indicated there is an expectation of a commitment to design the 2022 plan based on the Least Cost Procurement standard of seeking all cost effective energy efficiency, going beyond just the net benefits incentivized by the PIM in order to properly justify any budget increases we may need over the 5% budget target the PUC gave as part of their ruling.

Mr. Guerard highlighted that the areas of focus and changes being presented in the Residential and Income-Eligible sectors are in line with expectations of the Council and other stakeholders, particularly around equity, program enhancements and improvements, and more cross-program collaboration. He also covered a few areas of concern, including the reduction of weatherization incentives for non-electric and gas customers and the lack of specificity in the multifamily section.
Mr. Jacobs reviewed the Commercial and Industrial sector and some of the enhancements put forward there, including a continued emphasis on increasing non-lighting measures in the portfolio, both with program enhancements and training/education. He also highlighted a large Combined Heat and Power (CHP) project that is in development that would have significant savings associated with it. Mr. Jacobs also noted the increased focus on marketing around energy management which will include demand response opportunities listed alongside energy efficiency opportunities. He also noted that the sector did not include any references to equity, despite provisions and considerations of such in other sectors – could include goals for increased spending with women and minority contractors or increasing small business and non-profit participation in the programs, for example.

Acting Chair Hubbard expressed concern about landlords passing costs on to renters for taking on energy efficiency upgrades, particularly if the upfront costs are already being mentioned as a concern by landlords, especially in triple decker units. He also inquired if non-profit renters were considered part of the Commercial and Industrial program and if so, how is the outreach being conducted to those groups?

Ms. Goodman indicated that this question may be better suited for the Equity Working Group to address and stated that she will relay this question to them.

Mr. Teichert wanted to reinforce the expectations around concrete, action-oriented language in the first draft. He noted that he would also love to see detailed budget numbers, including deltas from prior years and cost-efficiency of not only portfolios but also measures. He is also concerned about pushback on energy efficiency measures or systems coming out of COVID-19, like overrides on heating and ventilation systems for example.

7. **Special Topic**

   a. *National Grid Presentation on Workforce Development*

Please refer to the [National Grid Presentation on Workforce Development](#)

Mr. Rose reviewed the historical investment National Grid has made in workforce development, that has traditionally hit on multiple sectors and ranges from equipment specific efforts, to whole building focus, to industry specific trainings.

Mr. Rose then outlined the 2022 approach to workforce development, which is to target only opportunities with the strongest case for driving benefits, prioritizing system benefits based on Public Utilities Commission guidance. Additionally, their workforce plan is focused on upskilling employees through trainings, rather than growing the workforce, as upskilling provides a higher certainty in forecasting expected energy savings and there is a shorter lag between this training activity and the resulting savings compared to longer-term workforce growth efforts.
Mr. Gill Case noted that we got an update last year on the number of people attending or served by the trainings and workshops and he would like to see those numbers again. In his experience in the field, he still feels that the industry is falling short in implementing and adhering to best practices for energy in building/construction.

8. Public Comment

None

9. Adjournment

Acting Chair Hubbard called for a motion to adjourn the meeting. Mr. Riccio moved to adjourn the meeting. Mr. Gill Case seconded the motion and all approved. Meeting adjourned at 4:58pm.

*Outstanding Council Member Questions Requiring a Written Response:*

None