



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

EERMC FULL COUNCIL MEETING MINUTES

Thursday, September 23, 2021 | 3:00 - 5:00 PM

Conference Room A, 2nd Floor Department of Administration One Capitol Hill Providence, RI 02908

Members in attendance: Angela Li, Joe Garlick, Sue AnderBois, Commissioner Nicholas Ucci, Acting Chair Anthony Hubbard, Kurt Teichert, Peter Gill Case, Tom Magliochetti

Others Present: Marisa Desautel, Nathan Cleveland, Dr. Carrie Gill, Sam Ross, Adrian Caesar, Craig, Hank Webster, Emma Rodvien, Joel Munoz, Jessica Darling, Josh Kessler, Kai Salem, other attendees

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

1. Call to Order

Acting Chair Hubbard called the meeting to order at 3:03pm, and noted there was not currently a quorum.

2. Meeting Minutes

A vote on meeting minutes was not taken until after the Executive Director Report due to lack of quorum.

Mr. Teichert made a motion to approve council meeting minutes from August 19, 2021. Mr. Gill Case seconded. There were no nays or abstentions. The motion was approved.

Mr. Teichert made a motion to approve council meeting minutes from September 16, 2021. Mr. Gill Case seconded. There were no nays. Ms. AnderBois abstained. The motion was approved.

3. Executive Director Report

Commissioner Ucci updated council members about the [2021-B Regional Greenhouse Gas Initiative Proposed Allocation Plan](#). There is a public comment hearing on October 5, 2021 and comments from guests, council members, and others are welcomed and encouraged.

Council member Tom Magliochetti arrived at 3:08

Commissioner Ucci notified council members about the Electric Vehicle Charging Infrastructure Plan directed by H5031/S0994, and encouraged council members and the public to attend public listening sessions on September 29, 2021 and October 1, 2021. More information is available at www.energy.ri.gov/evplan.

Commissioner Ucci notified council members of Bill Riccio's resignation from the council, effective immediately.

4. Acting Chairperson Report

Acting Chair Hubbard framed the objective of the meeting to discuss and vote on National Grid's 2022 Energy Efficiency Annual Plan (henceforth, "2022 Plan" or "the plan"). Acting Chair Hubbard reminded council members that the council's legal counsel is present for questions and guidance related to procedure. He then directed attendees who would like to make public comment to sign up, and reminded attendees public comment can be submitted online at www.rieermc.ri.gov.

5. Program Oversight

2022 Annual Energy Efficiency Plan

a) National Grid Presentation on the 2022 Annual Energy Efficiency Plan

Please refer to [National Grid 2022 EE Plan Final Draft Presentation](#)

Ms. Li notified council members that the Public Utilities Commission requested September 22, 2021 that National Grid file an additional provision plan with information on how the program will be designed if the CHP project is not approved. This provisional plan will remove the money invested in the CHP project currently and put it elsewhere in the portfolio, and then provisional plan will only become the plan of record should the CHP plan not move forward.

Ms. Darling reviewed the short-term timeline and summarized the council's focus areas that were incorporated into the plan. Ms. Li summarized how the plan focuses on equity and incorporates recommendations from the Equity Working Group. Ms. Darling discussed considerations of the components of Least Cost Procurement used to develop the plan and summarized the impacts of the plan.

Mr. Kessler summarized commercial and industrial enhancement and highlights. Mr. Gill Case asked what the difference is between retro-commissioning and commissioning. Mr. Kessler clarified that commissioning refers to the first time that commissioning occurs, while retro-commissioning refers to a sort of routine subsequent "tune-up". Mr. Kessler further clarified which items were excluded or proposed in limited scope, and described National Grid's motivations for doing so and their proposed activities in 2022. Mr. Teichert asked what '2022 Activities' meant, and Mr. Kessler clarified those activities are what National Grid is proposing to do in 2022. Mr. Kessler reviewed savings figures for this sector as well.

Ms. Li summarized residential and income-eligible enhancements and highlights. Ms. Li further clarified which items were excluded or proposed in limited scope, and described National Grid's motivations for doing so their proposed activities in 2022.

Ms. Darling summarized the energy efficiency electric and gas surcharges over prior years. Ms. Darling notes the surcharge will likely decrease slightly with the next update to the load forecast.

Ms. Darling described rate and bill impacts and referenced a discussion with the consultant team to discuss concerns and methodological changes, noting that no changes were made in the plan but further discussion will occur in 2022.

Commissioner Ucci asked what the 2022 energy efficiency surcharge is for National Grid's customers in Massachusetts. National Grid replied they thought it would be over two cents.

Mr. Magliochetti noted his past experience in commercial and industrial sector and suggested National Grid graph savings performance for that sector over time in a future presentation.

b) Consultant Team Presentation on the 2022 Annual Energy Efficiency Plan

Please refer to the [Consultant Team 2022 EE Plan Final Draft Presentation](#)

Mr. Ross summarized the Public Utilities Commission Order on Docket 5076 at the request of Commissioner Ucci. Mr. Teichert asked for clarification on what the council would be voting on today and how that relates to the recently request provisional plan filing referenced by National Grid. Council members discussed procedural questions. Council attorney Marisa Desautel clarified that the council should vote on the plan as presented at the council meeting, and suggested the Public Utilities Commission may request an additional vote from the council on the provisional plan if needed.

Mr. Ross summarized prior review of the plan and key discussion points from the September 16, 2021 special council meeting. Mr. Teichert recalled that Mr. Porter had said at the September 16, 2021 meeting that National Grid had identified additional opportunities to allocate funding for energy efficiency should the CHP project not be approved. Ms. Li clarified that National Grid does not have a fully fleshed out provisional plan at this point, but suspected energy savings will be less than the savings from the CHP project.

Mr. Ross summarized the council's responsibility to vote whether to endorse the plan and whether to approve the cost-effectiveness report. Mr. Ross concluded that the consultant team did not have enough information at this point to suggest a determination of whether the plan meets the requirements of Least-Cost Procurement.

Acting Chair Hubbard asked for clarification about how reconciliation funding impacts rate and bill impacts. Mr. Ross clarified the method used and the method suggested by the consultant team for including reconciliation funding. Namely, Mr. Ross suggested the current method fails to disaggregate the rate and bill impacts due to reconciliation funding and program spending. Ms. Darling added that National Grid will be including year-over-year impacts in their pre-filed testimony.

Commissioner Ucci thanked Mr. Cleveland and the consultant team for their hard work over the past few months, as well as the hard work of National Grid's staff. Commissioner Ucci noted that a benefit of the regulatory process is that stakeholders will have an opportunity to further inform the record through participation and data requests.

c) Public Comment on the 2022 Annual Energy Efficiency Plan

Hank Webster, Acadia Center

Mr. Webster referred the council to his comments on September 16, 2021. Not knowing which investments would otherwise be pursued without a budget cap really hurts the ability of stakeholders to make an informed decision on the plan. The CHP project is an illustrative example of how stakeholders could have used this information to make a more informed decision on plan composition. Additionally, Mr. Webster indicated that we don't need to wait for results from the non-participant study to make progress on improving the programs. He also commented that the general framing of the system benefit charge in this year's plan being depicted as year over year change distorts the picture of how the system benefit charge has trended over time and that he feels it is unwise to frame this in such a limited view, but rather tell the whole story over time.

Joel Munoz, Division of Public Utilities and Carriers

Mr. Munoz informed stakeholders that the Division will not sign on to a proposal or settlement. They support the overall design and process but have enough concerns over specific items in the plan, some of which discussed today, that they will not be settling. Primarily they are concerned with the system benefit charge increase and the impacts on ratepayers, as well as concerns over forecasting. Mr. Munoz also noted that the Division's position on the CHP project will be submitted by the end of the day tomorrow. He closed by saying that the regulatory process exists for a reason and that a contested case does not mean a contentious case.

Kai Salem, Green Energy Consumers Alliance

Ms. Salem acknowledged staffing changes at GECA but will provide comments based on the limited way she's been involved this year. She noted that the regulatory process over the past few years has been frustrating, and that GECA is beginning to see limitations of Least Cost Procurement more broadly for meeting climate goals. GECA has been interested in energy efficiency as part of their mission to accelerate a low-carbon future. The model that worked for lighting market transformation will not get us to our climate goals. Least Cost Procurement is the only program we have to reduce emissions in the building sector (roughly a third of current emissions) which we need to reduce to net zero by 2050. In Massachusetts they just signed an order establishing a clean heat commission and providing funding for this work. Ms. Salem would like these types of innovative ideas to be proposed in Rhode Island.

She stated that GECA supports any and all cost-effective energy efficiency but don't want ratepayers to fund this all on their own. She encouraged us all to instead look at energy bills as a whole to think about energy affordability more broadly. Moreover, GECA feels that the savings achieved in this plan are dramatically lower than targets and that they opposed the method of designing the plan around perceived budget limitations. Additionally, GECA opposes spending ratepayer dollars on incentives for fossil fuel equipment and would rather see that budget spent on things like weatherization. In closing, Ms. Salem indicated that GECA supports investments in energy efficiency and pleased to see some improvements in this plan however we don't believe this is the best plan that could have been proposed even within perceived constraints and hopes that we can all work together to figure out what role energy efficiency plays in meeting our climate goals in the coming years.

d) Council Discussion and Vote on the 2022 Annual Energy Efficiency Plan

Acting Chair Hubbard framed the discussion and opened the floor.

Mr. Gill Case stated he has attended the energy efficiency technical working group meetings throughout the year and the multi-family working group and had monthly meetings with the consultant team, has corresponded with council, and reviewed the final draft of the plan. He has concluded that ratepayers and Rhode Islanders deserve better. He is concerned that all opportunities were not assessed in the plan development process and has concerns related to the process itself including the timeline and responsiveness of the Utility. He noted that there were lengthy discussions on barriers to progress, some of which did not seem legitimate. He stated that his thinking was further influenced by the continued extreme weather events, the passage of Act on Climate, continued and projected poor performance in the income-eligible and multi-family sectors of the program and a renewed focus on equity and energy justice. He is also aware that next year there may be a new utility company. Mr. Gill Case indicated that he is hopeful the Council will continue to set a high standard for energy efficiency programs in Rhode Island and that the plan itself and the way it was developed leads him to not support the plan.

Mr. Teichert reflected on discussion from 9/16 and in particular Mr. Roughan's comment about optics if the Council does not support the plan. He would like to reinforce the position that higher, more aggressive targets are necessary and feels the concerns the Council is raising are significant and challenges his support of this plan. He noted that he would like to frame their action and comments as much as possible to send a clear signal to the market that the Council is intent on getting the most optimally cost-effective savings as possible. He recognizes the Divisions position about ratepayer concerns, but key thing is that how we move forward and opportunity to open the process puts us in a direction to optimize efficiency of the delivery of energy efficiency services.

Ms. AnderBois wanted to echo comments made by Mr. Teichert, Mr. Gill Case, Ms. Salem, and Mr. Webster. Her concerns include continued incentives for fossil fuel equipment and is worried cost effectiveness assumes continued use of fossil fuel equipment. She also has concerns about the viability of the CHP project, and even if it was the most optimal for energy savings it doesn't pass smell test for getting that much money that would have otherwise support ~500 other projects. She also wanted to highlight the differential treatment of macroeconomic impacts being included for this project, and question if the same is the case for small, women-owned and BIPOC-owned businesses. She wants to make sure that even if the Council doesn't vote to approve that it doesn't send the wrong signal to the market, since the Council is incredibly supportive of energy efficiency and feels that more needs to be done. Ms. AnderBois also stated that she would be more empathetic to process concerns if this wasn't a regular, annual process that's guaranteed a rate of return. While she has empathy for people doing the work, the company needs to be investing in the planning process and their staff.

Commissioner Ucci, as Executive Director of the Council, said he felt that there is a pattern of tone-deafness over the past year plus from the company – not personal – but the issues discussed today and last week have been discussed many times previously. Therefore, it should not be a surprise the types of questions and data requested by Council and OER. He feels this information should have been produced in a timely manner and that he expects them to be produced in regulatory process, but the Council does not have the information today to inform their vote. He expressed disappointment in the company's approach this planning cycle and indicated that the assessment at OER aligned with what the consultant team has described today. Importantly, however, as Mr. Munoz stated, not settling doesn't need to be contentious; we just don't have

enough information to understand whether the proposed plan is in the best interest of Rhode Islanders. He closed by saying that OER will not be settling and that we are looking forward to being fully engaged to foster continued dialogue in the coming months. He is hopeful that using the regulatory process will uncover information to refine testimony, comments, and positions to help the commission make the right decision for Rhode Island.

Acting Chair Hubbard offers a different version of the comment last week regarding optics. He framed it as a question of optics of his seat on the council and who he represents. To sit year after year and watch the income-eligible sector underperform with a promise of improvement that does not materialize and to not have information required to determine progress is not acceptable. He feels he should not have to do that level of research as a council member to refer to prior plans for information and indicated that the population he represents doesn't see themselves as benefitting from these plans. He also stated that on concept of equity more broadly: we know what the issues and barriers are but are yet to see workable solutions or implementation to address those. For that reason he cannot support this plan as the representative for income eligible folks.

Mr. Garlick concurs with comments and offered a motion to not endorse, at this time, the 2022 Energy Efficiency Plan as presented by National Grid to the Council on September 23, 2021. Furthermore, the Council directs its consultant team to develop and issue, through its legal counsel, pertinent data requests to support the Council in formulating its position and documenting its reasons to be submitted to the PUC for its consideration in final review of the 2022 Annual Energy Efficiency Plan.

Ms. AnderBois seconded the motion.

Mr. Teichert wanted to clarify whether conditions for endorsement would need to be included as in the motion as presented the Council is not laying out conditions under which they will endorse. Ms. Desautel agreed that this motion does not include conditions for endorsement and that such conditions are not a requirement of the Council if that is not their intent. Commissioner Ucci highlighted the wording "at this time" in the motion.

No further discussion. All ayes. No nays. No abstentions. Motion carries.

Mr. Ross asked Ms. Desautel to comment on the process required to document Council reasons for non-endorsement. Ms. Desautel summarized the conclusion from her discussion with the PUC attorney about next steps. The proceeding could look like similar to a settlement proceeding and in fact, Commissioners may have fewer questions because they are seeing other participating parties are not endorsing the plan and additional discovery may be conducted. She anticipates that the PUC will expect the Council to be a participating party and statute states that upon motion to intervene the Council can be a participating party. Ms. Desautel also noted that procedural the process will look the same as well, with the Council filing the cover letter, vote outcome, cost-effectiveness report, and comments to the efficiency docket after the plan is filed.

Ms. Desautel also highlighted areas where the process may differ from past year, indicating that there are likely to be more data requests and potentially an additional hearing day, though the likely outcome is the same number of hearing days.

Mr. Gill Case asked if the Council needed to discuss, act, or vote in order to specify their reasons. Ms. Desautel indicated that the reasons for not endorsing will either be summarized in the

comments filed and that Mr. Ross and the consultant team can represent discussion from the meeting minutes to inform those reasons, but would also be able to use a council-directed list.

Mr Teichert stated his interpretation of the budget cap and limitation and asked if there was a way to get the Commission to clarify in real time what their intent was and what the best process would be to get that clarification. Mr. Ross recommended a direct reading of the Commission's written order on Docket 5076, which was recently released and detailed their thinking on this topic. Commissioner Ucci noted that he was hopeful that discussions illustrate confusion caused and appreciate them trying to provide clarity in the order.

Cost-Effectiveness Report

e) Consultant Team Presentation on the Cost-Effectiveness Report for the 2022 Annual Energy Efficiency Plan

Mr. Ross summarized the legislative basis for the cost-effectiveness report, the process for developing the cost-effectiveness report, and the cost-effectiveness finding that the plan is cost-effective and less than the cost of supply.

f) Council Discussion and Vote on the Cost-Effectiveness Report

Mr. Gill Case moved to approve the cost-effectiveness report and directed the consultant team to update the highlighted sections prior to filing. Mr. Teichert seconded. No discussion. All in favor. No opposed. Motion passes.

6. Public Comments on Other Topics

None.

7. Adjournment

Mr. Gill Case made a motion to adjourn. Ms. AnderBois seconded the motion. Acting Chair Hubbard adjourned the meeting at 4:45pm.

Outstanding Council Member Questions Requiring a Written Response:

None