



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

EERMC FULL COUNCIL DRAFT MEETING MINUTES

Thursday, June 15, 2023

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2A, Providence, RI 02908 with remote participation via Zoom

Members in Attendance: Joe Garlick (arrived at 3:25 p.m.), Brett Feldman, Tom Magliocchetti (arrived at 3:43 p.m.), Sue AnderBois, Peter Gill Case, Dave Caldwell (left at 3:45 p.m.), Kate Grant, Christopher Kearns, Priscilla De La Cruz

Others in Attendance: Steven Chybowski, William Owen, Toby Ast, Sam Ross, Adrian Caesar, Rachel Sholly, Jake Curran, Emily Koo, Greg Caggiano, Morgan Holstine, Craig Johnson (virtual), Jordan Galluzzo (virtual), Michael O'Brien Crayne (virtual), Nelson DiBiase (virtual), Spencer Lawrence (virtual), Tina Munter (virtual), Karen Verrengia (virtual)

1. Call to Order

Vice Chair Gill Case called the meeting to order at 3:11 p.m.

2. Chair Report

Vice Chair Gill Case delivered the Chair Report, providing instructions for the public to provide public comments at the meeting. He also noted the additional meeting materials that were posted for Council review. Council Member AnderBois introduced Priscilla De La Cruz, Residential Representative from the Audubon Society of Rhode Island. Vice Chair Gill Case noted Council Members not in attendance and that a quorum was not reached. All votes will be held for a future meeting unless additional members join in person to reach a quorum.

3. Executive Director Report

Acting Commissioner Kearns delivered the Executive Director Report, noting the absence of new Council Member Jordan Day. He then briefed the Council of the EC4 meeting next Wednesday and where to locate details for the meeting, federal funding home electrification program updates, and the \$25M heat pump program. Mr. Kearns noted that the timeline of launch for the program is targeted for mid-July.

4. Meeting Minutes

- a. May 1, 2023, LEAD Session
This item was held for the July meeting.
- b. May 18, 2023
This item was held for the July meeting.

5. Program Oversight (70 Min, 3:10 – 4:20 p.m.)

- a. *Office of Energy Resources Updates on State Budget Article Five (10 min, 3:10 – 3:20 p.m.)*

Acting Commissioner Kearns presented the energy subjects of the FY24 State Budget, stating up to \$1.5 million in annual auction proceeds from the Regional Greenhouse Gas Initiative (RGGI) to support the EC4 policy and programmatic efforts. In partnership with the EERMC, PUC, and DPUC, the RI Office of Energy Resources (OER) will issue an RFP for the administration and implementation of state energy efficiency (EE) programs. Nothing prohibits the utility from submitting a proposal to OER during the RFP posting period, and the PUC is expected to file a decision no later than June 2024 on the subject. OER will not be engaging with prospective bidders or utilities on this subject during this process. At this time, Acting Commissioner Kearns politely encouraged all potential bidders to leave the room and exit the Zoom until discussion of this agenda item is complete. Representatives from Rhode Island Energy exited the meeting.

Acting Commissioner Kearns shared that the winter rate relief to residential small business customers was approved by the General Assembly, which will be handled by the Division of Revenue or Division of Taxation, into 2024, with reimbursement occurring in late 2023-early 2024. The EC4 would receive funding if RGGI auctions come in at \$4.5M per auction, up to \$1.5M each fiscal year of this program. Auctions begin in September of the fiscal year. For FY23, a one-time \$3 million in allocations from RGGI to EC4 will be funded to maintain the existing electric vehicle and electric bicycle incentive program and to support other projects.

Acting Commissioner Kearns presented a tentative timeline for the State EE programs administration. At this time, the RFP is scheduled to close in November. OER will set up an RFP Technical Review Committee with 3 OER staff members and will request 2 EERMC members to serve as Technical Advisors to review the submitted bidder proposals and provide feedback to OER during the evaluation process. Council Member AnderBois asked about extending the two-week comment period, and Acting Commissioner Kearns responded with an idea of possibly having multiple comment periods or extending the comment period timeline.

Acting Commissioner Kearns opened the floor for comments and questions, and members in attendance had none. Rhode Island Energy representatives were welcomed back into the meeting after this discussion.

- b. *Rhode Island Energy Presentation on the 2024-2026 Draft Plan Narrative (25 min, 3:20 – 3:45 p.m.)*

Mr. Ast presented on the timeline for stakeholder involvement of the 2024-26 Annual Plan. He then provided updates of the plan elements already in progress, while highlighting coordination with the Rhode Island Infrastructure Bank in terms of investments and also mentioned cooperation with Mr. Chybowski on that front.

Mr. Ast suggested that the July Council meeting could be an opportunity to bring up adjustments to the Performance Incentive Mechanism (PIM), and the best structure to drive efficiency forward. He also spoke of open seats for RI business owners to join the stakeholder listening session.

Mr. Ast then briefed the Council on Rhode Island Energy's current approach on the future of gas incentives, giving examples of successful similar operations from MA, CT, CO, and CA.

Mr. Ast then touched on a few primary strategies of the three-year plan (3YP), such as the focus on expanding outreach, making sure all customers have equal access, and ensuring capable workforce capacity.

c. Council Consultant Team Perspectives on the 2024-2026 Draft Plan Narrative (25 min, 3:45 – 4:10 p.m.)

Mr. Caesar and Mr. Ross presented on the three-year draft plan narrative. Mr. Caesar began discussing the 3YP and summarized the primary purposes and content. In a coordination call between Rhode Island Energy, the C-Team, and OER, the C-Team expressed concern that the Company's intent to significantly deviate from the prior plan format was not effectively communicated in a way to set stakeholders expectations. Then, the C-team shared high level comments, regarding program design, customer outreach, PDAs, EM&V, coordination with other energy policies programs and dockets, multiyear strategies, and performance incentive plans. Mr. Ross wanted to make a point on the PDAs study and company approach. Mr. Ross ran through the priorities of the Council which will be addressed in more detail in the 2024 Annual Plan, which will not be available until August. He also provided updates on the compliance with the Act on Climate. Council Member Grant responded regarding the State's 2025 Climate Strategy and desire to determine a more cost-effective pathway in order for all parties to be successful. Council Member AnderBois agreed. Council Member Magliocetti mentioned the urgency of the climate crisis, and the importance of achievability with these plans.

Mr. Ross mentioned that the assessment of plan development and review was hampered due to lack of detail provided in first draft and that a major shift in overall plan design was not communicated with stakeholders earlier in the process. He also mentioned the importance of participation from historically underserved customers and wants to continue support of the Equity Working Group.

Mr. Ross opened up the floor for Council Discussion, with Vice Chair Gill Case noting to keep questions concise and discussions brief.

Vice Chair Gill Case asked the Company "How can we help?" while providing his disappointment in the 3YP so far. He also questioned "Where is this going?" while noting that we need to be talking about something more specific in these plans. Acting Commissioner Kearns agreed with these concerns. Council Member AnderBois offered assistance with the 3YP.

- d. *Overview and Discussion of Updates to the Least Cost Procurement Standards (10 min, 4:10 – 4:20 p.m.)*

Mr. Johnson provided updates on the least cost procurement process, noting that there have not been changes since the last meeting. He then provided the next steps depending on the timeline, proposed process for providing feedback on behalf of Council. He wanted to re-emphasize the recommendation to open standards review in the year prior to when a 3YP is due, both to ensure time regarding consensus and an opportunity to discuss possible further changes to the cycle.

6. Council Business (35 Min, 4:20 – 4:55 p.m.)

- a. *Council Discussion of 2024 Budget Proposal (15 min, 4:20 – 4:35 p.m.)*

Mr. Ross presented the outline of the budget planning process, review of the initially proposed 2023 budget for reference, and the draft 2024 budget. The 2024 budget planning was started in May 2023, and the budget is expected to be submitted to the utility for plan filing in August 2023.

The new budget does not expect the cap to be at the current level next year. Items removed from the budget for 2024 were the potential study data refresh, and market-based solutions study. Items added for 2024 per Council Member requests at the May council meeting was expanded EE and Climate Awareness Campaign allocations, and energy efficiency administrator implementation RFP support. Mr. Ross mentioned within the EE & Climate Public Awareness Campaign, that the current dollar amount of ~\$85k reflects the Council's discussion to increase allocation from 2023 budget level and will be updated when RFP responses are received and evaluated.

Vice Chair Gill Case mentioned that the 2024 Farm Energy Fellow could be fully funded by OER in the future. The K-12 Energy Education allocation will be taking a pause to be picked up later on. Vice Chair Gill Case also mentioned his intent to keep funding for Energy Expo at the previous allocation level of \$40,000.

The budget will be kept as is for now, to be revisited at the July council meeting.

- b. *Review of 2023 Budget and Potential Vote to Reallocate Council's K-12 Energy Education Funding (5 min, 4:35 – 4:40 p.m.)*

Ms. Sholly presented on the proposed reallocation of funds moving \$25,000 from K-12 Energy Education towards the EE & Climate Public Awareness Campaign, divided into two phases: Phase 1 research & design (2023), Phase 2: implementation and evaluation (2024).

- c. *Review and Potential Vote on the Draft Energy Efficiency and Climate Public Awareness Campaign Request for Proposals (15 min, 4:40 – 4:55 p.m.)*

Not enough council members were in attendance to make a vote, so the EE & Climate Public Awareness Campaign proposed timeline is being pushed back a month, with Phase 1 now occurring from October through December.

The potential votes of the June meeting were a vote on the reallocation of funds, and a vote on the draft EE and Climate Public Awareness Campaign RFP. Both votes are

being held for the July Council meeting. The Council expressed support for both propositions.

7. Public Comment

Ms. Sholly announced that the final draft of the EERMC Annual Report is now posted.

Council Member AnderBois introduced Emily Koo with the Acadia Center. Ms. Koo then raised the question to know how the public can be engaged with the EE & Climate Public Awareness Campaign. Vice Chair Gill Case noted that strong outreach for the campaign will be necessary.

8. Adjournment

Vice Chair Gill Case motioned to adjourn meeting. Council Member AnderBois seconded, and the meeting was adjourned at 4:53 p.m.