



## **EXECUTIVE COMMITTEE MINUTES**

**Thursday, September 22, 2016 | 1:00 - 2:30 PM**

Conference Room B, 2<sup>nd</sup> Floor, Dept. of Administration, One Capitol Hill, Providence, RI

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**In Attendance:** Abigail Anthony, Marisa Desautel, Mike Guerard, Jeremy Newberger, Scudder Parker, Chris Powell, Rachel Sholly, Betsy Stubblefield Loucks, Nick Ucci

### **1. Call to Order**

Chairman Chris Powell called the meeting to order at 1:04 PM.

### **2. Approval of Meeting Minutes**

Abigail Anthony made a motion to approve the minutes. Chairman Powell seconded, Betsy Stubblefield Loucks abstained and the minutes were approved.

### **3. Executive Director Report**

Nick Ucci of the Office of Energy Resources (OER) said that the OER appreciates the comments received on the Regional Greenhouse Gas Initiative (RGGI) 2016-B allocation plan. OER will be posting the final plan tomorrow with no changes, which includes \$2 million to capitalize the Efficient Buildings Fund (EBF) administered by the Rhode Island Infrastructure Bank (RIIB) and just over \$2 million to support efficiency programs administered by National Grid. Jeremy Newberger asked if the RIIB funds would be primarily for renewables. Mr. Ucci explained that the funds can be used for either efficiency or renewables.

Chairman Powell and Ms. Anthony notified the Committee that they would not be able to attend the full Council meeting next week. Ms. Anthony will submit a written statement regarding the 2017 Energy Efficiency Program Plan to be read at the meeting. Ms. Stubblefield Loucks will run the meeting. Rachel Sholly will confirm attendance by close of business on Monday to ensure a quorum will be reached.

### **4. Policy and Planning Issues**

#### *a) Savings Targets Development and Standards Revision Update*

Mike Guerard of the consultant team reviewed the schedule for finalizing the 2018-2020 savings targets and updates least cost procurement standards. The system reliability procurement (SRP) standards are finalized. The energy efficiency standards are still being worked on, but are on track to be submitted to the Public Utilities Commission (PUC) in December along with the savings targets. Scudder Parker noted that the Division of Public Utilities and Carriers (Division) has been engaged in this work.

#### *b) Demand Response Update*

Mr. Parker of the consultant team has directed Synapse to propose a strategy for gradual introduction of advanced metering infrastructure (AMI) and demand response capability in Rhode Island, which would be the final product from Synapse. Chairman Powell asked why the large commercial and industrial (LCI) sector would not be included. Mr. Parker explained that LCI is being served to some extent by market players and may not need an initiative to move forward, which is not the case for the residential and small business sectors. Chairman Powell said that many state facilities lack these types of technologies and would benefit from a targeted program. Mr. Parker agreed and said that LCI has not been the focus of the Synapse work in part because of limited resources.

## **5. Updates on Energy Efficiency Programs and System Reliability Procurement**

### *a) Discussion of Second Draft 2017 Energy Efficiency Program Plan*

Mr. Guerard explained that the comments submitted by the consultant team on behalf of the EERMC have all been addressed by National Grid. The comments had flagged two main issues - financing and cost per unit of energy saved, which they thought could be shaved down. Both of these were addressed during negotiations on the second drafts. As a result of negotiations, the cost per unit saved was reduced in the second draft. It would have been reduced more if it were not for the fact that the sales forecast was lower than expected. Mr. Parker noted that this is an indicator of successful market transformation.

Ms. Anthony asked if there are key programmatic issues discussed between the two drafts. Mr. Guerard said that there are some program evaluations that indicate there is room for improvement. There were some challenges in trying to model the current picture of how certain programs will be implemented given that the team will be working in real time to shape some of the programs, in particular the EnergyWise program. More generally on the residential side, the multifamily and income eligible programs are going out to bid for new vendors.

On the C&I side, the second draft included additional savings from a CHP project expected to come online late in the year. Chairman Powell had concerns about supporting another large CHP project. National Grid thinks it will be able to accommodate the new project, which is nowhere near as large as the Toray project was, while maintaining equity with other customers. Ms. Anthony asked if National Grid would still want to sole-source with RISE Engineering if they had had the EnergyWise evaluation results earlier. Mr. Newberger said that the EnergyWise program performance was not related to the vendor. The consultant team will prepare a memo for the Council that explains the consultant team's role, key issues flagged and a recommended position on the Plan.

Mr. Newberger asked the Committee what the Council would like to see in National Grid's presentation of the second draft. Mr. Ucci asked for a review of the key issues and strategic portfolio. Chairman Powell felt that Council members should be updated on the response to Shigeru Osada's question at the last meeting regarding low hanging fruit in the LCI sector. Ms. Stubblefield Loucks asked if there would be merit in reminding Council members what their responsibility is related to approving the Plan. Mr. Guerard said that the consultant team's memo can include Council responsibilities. The vote on final memo could happen at the October 19<sup>th</sup> meeting after the retreat. Ms. Anthony felt that ample time should be given for the consultant team to provide recommendations.

## **6. Council Business**

### *a) Budget Report*

Ms. Sholly presented the Council budget with updated expenses to date. The Committee requested to see a proposal for the consultant team to take on the responsibility of redesigning and updating the EERMC website. They also asked for the budget to show estimated balances for the attorney's client fund and funds held with National Grid separately.

### *b) Dunsy Energy Consulting Contract Extension*

Mr. Guerard explained that the contract for finance expertise through Dunsy Energy Consulting expires on October 31, 2016. He felt that it would be valuable to extend the contract to look at things like what success looks like for RIIB and what kind of reporting should be advocated for. Chairman Powell said now that SBC funds are supporting RIIB, it is important to verify that they are being spent in accordance with the law. Dunsy could also provide assistance during the 3-Year Plan development coming up in

2017. The consultant team will ask Dunsky to prepare a proposal for a contract extension from November 1, 2016 through December 31, 2017. They will also provide Dunsky with the context for upcoming Council work and decision points.

*c) Upcoming Meeting Schedule and Agendas*

The Committee reviewed the draft agenda for the October 19<sup>th</sup> member retreat and Council meeting. Mr. Ucci suggested removing the “special topics” section to allow ample time for the basic topics. Mr. Newberger suggested using examples or case studies throughout the presentation, perhaps as a way of getting into some of the special topics. Additional feedback was discussed and will be incorporated.

*d) Finalize EERMC September 29 Meeting Agenda*

The Committee finalized the agenda for the full Council meeting next week. The decision on whether or not to keep the 10/6 Executive Committee meeting will be made after the full council meeting next week.

**7. Public Comment**

There was no public comment.

**8. Adjournment**

Ms. Anthony made a motion to adjourn. Chairman Powell seconded and the meeting was adjourned at 2:40 PM.