



Energy Efficiency Board Monthly Meeting

Wednesday, August 13, 2014, 1:00 – 3:30 PM

Department of Energy and Environmental Protection – Public Utilities Regulatory Authority
10 Franklin Square, New Britain, CT / Hearing Room 1

MINUTES¹

In Attendance

Voting Board Members: Michael Wertheimer, Amanda Fargo-Johnson, Vicky Hackett, Amy Thompson, Joel Gordes, Shirley Bergert, Jamie Howland (Chair), Diane Duva, Tracy Babbidge, Neil Beup.

Utility Board Members: Ron Araujo, Matt Gibbs, Pat McDonnell

Board Members not in attendance: Eric Brown, Michael Cassella, Chris Ehlert

Board Consultants: Lisa Skumatz (phone), Craig Diamond, Jeff Schlegel, Glenn Reed, Les Tumidaj, Chris Kramer (phone)

Others: Pam Penna, Donna Wells, Ravi Gorthala

1. Process

Minutes

The Board considered whether to approve the minutes from the June 25, 2014 Board Retreat. Ms. Bergert moved, Mr. Gordes 2nd. All voted in favor except Mr. Wertheimer who abstained. Minutes approved. The Board next considered whether to approve the minutes from the July 9, 2014 Board meeting. Ms. Bergert moved, Mr. Gordes 2nd. All voted in favor except Ms. Fargo-Johnson who abstained. Minutes approved.

Public Comments

None

2. Committee Reports

A) Commercial & Industrial Committee

Mr. Beup reported that the Committee had a good discussion on the 2015 Plan Update at its meeting on Aug. 12. He highlighted that the Institute for Sustainable Energy had suggested survey questions that were incorporated into a CBIA member survey.

¹ Materials for the meeting can be accessed in Box.net: <https://app.box.com/s/28mxcjbgkzkn27it5e92>

B) Residential Committee

Ms. Bergert said that a key issue being addressed in the Committee is health and safety barriers. In this regard, she mentioned a study at Yale and efforts at DEEP, along with efforts at the Dept. of Public Health and other agencies to implement the state health and safety legislation. Ms. Bergert suggested that the Board hold a future meeting at the new Smart Living Center. She also reported that progress was being made with the Star Hardware issue.

C) Marketing

Mr. Schlegel provided an update on Marketing Committee activities, including the Wait till 8 Campaign, several 2014 marketing activities, development of the 2015 Marketing Plan, and other topics.

D) Evaluation

Ms. Thompson said that two C&I market assessment reports (C17: C&I Market Assessment and C11: Small Business Barriers) were expected in September. She also said that technical presentations were going to be held soon on the following evaluation reports: CT Ground Source Heat Pump (R7), Weatherization Baseline Assessment (R5), and Central Air Conditioning (R8). In regard to the HES Impact Evaluation (R16) Volume 2, Ms. Thompson said that although the report is still being revised, the numbers currently in the draft were going to be used for the PSD. She also noted that the Committee would likely finish revisions to the Evaluation Roadmap some time in the fall and would bring it, and the 2015 Evaluation Plan, to the Board for its consideration at that time.

E) EEB/Green Bank Joint Committee

Mr. Schlegel said that the Green Bank's response to the Board's EEB suggestions memo from February 2014 was very positive. He said that the focus of their response was working together on short-term priorities. Mr. Howland proposed that the Board vote on amending the EEB Rules and Roadmap to formally establish a joint Committee of the EEB and Green Bank Board, as had been discussed at the July joint EEB/Green Bank meeting. Mr. Howland said that both the EEB and the Green Bank needed to appoint two voting members and two non-voting members to the Board. **A motion was proposed to move forward with amending the EEB Rules and Roadmap to incorporate the establishment of the joint committee, including the Board composition requirements.** Ms. Bergert moved, Mr. Gordes 2nd. All voted in favor. Motion passed.

3. Programs and Planning

A) 2nd Quarter Financial Update, including trends and alerts

Mr. Gibbs discussed CL&P's Q2 quarterly results, with a focus on forecast vs. goal. Mr. Gibbs and Mr. Araujo then presented a Q2 programmatic update for CL&P. Mr. McDonnell then presented UI's Q2 financial and programmatic update. Mr. McDonnell said that UI is 90% expended on the HES program as of the end of July. Mr. Schlegel asked Mr. McDonnell about UI's plan for HES and HES-IE this year. Mr. McDonnell said that what is

needed is to communicate with the HES vendors widely and often. He said that the vendors are starting to go over to market rate program. Ms. Bergert asked about how to find the customer types for which funds are available. Mr. McDonnell said that many HES vendors do not look far enough beyond their typical customer "territory" because they want to minimize travel. He said that he wants to encourage the vendors to travel more to areas in the state that are not necessarily close to the vendors' offices. Ms. Bergert said that UI needs to do better job at addressing this funding shortfall situation. Mr. Schlegel and Ms. Bergert said we need to give vendors more options. Mr. Araujo responded that a lot of that comes down to communication with vendors. Ms. Bergert said that she would like to hear from vendors for more ideas on what the EEB can do to manage/avoid the funding shortfalls

B) 2015 Plan Update

- Finalize Plan Update schedule - Mr. Schlegel provided an overview of key topics/priorities for the 2015 Plan Update, as well as the draft schedule.
- EEB priorities for the Plan Update, including program enhancements - Mr. Tumidaj and Mr. Reed provided comments on key priorities (program enhancements) for the C&I and Residential programs. Mr. Schlegel said that we need to decide which program enhancements should be included in the Update, and which should be considered through other/future processes. He said that we should find out from DEEP what its expectations are. Mr. Schlegel emphasized that any new ideas or major issues need to be communicated/requested now; if we wait until November or December, then it will be too late to adequately address any significant new issues. Mr. Schlegel also said that we need to incorporate overarching issues and themes, and requested that Board members communicate any ideas or concerns as soon as possible.
- Follow up to May Public Input session - the next step is for the Companies to draft their responses to the stakeholder comments/requests by the September Board meeting.

C) Customer Engagement Platform - report on current status and coordination.

Mr. McDonnell referred to the memo that UI submitted for the Board packet. Mr. Howland asked if UI had incurred any expenditures yet from its CEP contractor. Mr. McDonnell said no. Ms. Hackett asked about whether customers would be able to see retail electricity rates as part of the CEP. She also said that she is interested in using the CEP as a vehicle for collecting useful data for customers, DEEP, and evaluation. Mr. McDonnell said that this information will be available as part of UI's upgrade. Mr. McDonnell requested 20 minutes at the September Board meeting to have UI's CEP contractor provide a presentation on UI's CEP. Mr. McDonnell said that he views the CEP as providing data primarily for, but not so much for DEEP or evaluation processes. Mr. Schlegel said that in his presentation on CEP last year, he said that the CEP should also provide data for planning, evaluation, etc. Mr. Gibbs explained that all utilities across country are going through a long term IT evolution that needs to integrate legacy data tracking systems with the data being generated from CEPs. Ms. Thompson said that in regard to data system differences between the Companies, database design is important. Ms. Bergert said that having two different systems is not cost-effective. Mr. Gibbs referred to the memo that CL&P submitted for the Board packet.

Mr. Schlegel provided several comments on what should be included in CT's CEP:

1) It should include all of the EE functions described in the presentation from the June 2013 EEB Retreat. Mr. Schlegel said that all of these must be included in order for the CEP to deliver high value for customers:

- "My Plan" for a house or business, linked to the customer profile;
- Assessment or audit results and recommendations for action, HES (SBEA) or online or combination;
- Direct upload for data such as HES field service tool data to EE functions (to My Plan and other);
- Engagement tools and features to encourage action (such as feedback and rewards);
- Features to make it more convenient/less costly to take actions (e.g., links to contractors, easy access to retail outlets, opportunities within their community);
- Use and leveraging of data from other sources to make it easier for customers to use, and to pre-load the system with informed and intelligent defaults, to help the customer and the utilities/contractors; and
- Strong analytics and algorithms.

Mr. Schlegel said that all of the features need to be supported with EE/DSM program management, marketing/targeting, and metrics tools (most of which would not be customer-facing), as well as to provide certain data for evaluation and tracking (link or output to dashboard). He also said that all of the features need to be linked to the other (non-EE) functionality of a broader utility customer engagement platform.

2) We need timely design and implementation. EEB consultants recommended a CEP for CT in August/September 2012, then pushed strongly for a CT CEP in 2013, including during the EEB retreat in June 2013.

3) The CEP should help support consistent and quality data for evaluation and tracking (though not all evaluation data would come from or through the CEP).

4) We should have one CEP for all of CT, or at least for all EE functionality within a broader CEP. It would be most effective to have consistency in EE functionality and customer experience, and CT ratepayers should pay for the EE functionality and EE features one time.

5) To minimize duplication of effort and to foster sharing and implementing the best ideas, there needs to be strong coordination across the five utilities, led by NU and UIL.

6) The CEP needs to perform very well in every respect. It needs to meet expectations, and deliver high value. It should be an exemplary CEP, not just an adequate CEP.

Ms. Hackett suggested that the CEP and its performance should be built into the Companies' performance incentives, including consistency of systems and data. Mr. Schlegel said that he would develop specific recommendations for Ms. Hackett's proposal.

D) Update on new regional avoided costs study

Mr. Schlegel provided a presentation on the AESC regional avoided cost study (involving the six New England states) that will be started soon and completed by March 2015. He said that the avoided costs study is conducted every three years, and the calculated avoided costs will be used for EE programs in the 2016-2018 period.

4) Other

Mr. Howland recognized Tim Cole and Lomont White (not present at the meeting) for their past involvement and service to the EEB. He presented appreciation plaques that will be sent to Mr. Cole and to Mr. White.

The meeting adjourned at 3:35 pm.