



Energy Efficiency Board Monthly Meeting

Wednesday, April 10, 2019, 1:00 – 3:30 PM
10 Franklin Square, New Britain, CT (Hearing Room 2)

MINUTES¹

Attendees

Voting Board Members: Amanda Fargo-Johnson (interim Chair), Diane Duva, Neil Beup, John Wright, Jack Traver, Bruce McDermott (phone)

Utility Board Members: Will Riddle, Jane Lano, Ron Araujo, Andy Brydges,
Board Members Not in Attendance: Taren O'Connor, Adrienne Houel, Eric Brown, Scott Whittier

Board Consultants: Jeff Schlegel, George Lawrence, Glenn Reed, Craig Diamond

Others: Steve Bruno, Julia Dumaine, Donna Wells, Guy West, Amy McLean-Salls, Bryan Garcia, Kerry O'Neill

Process

Minutes

The Board considered whether to approve the minutes from the March 13, 2019 Board meeting. Mr. Beup moved to approve, Mr. Traver 2nd. All present voted to approve.

March 13, 2019 minutes approved.

Public Comments

None.

Update on environmental EEB seat, and leadership transition

Ms. Duva said that an appointment letter for the environmental EEB seat had not yet been issued by DEEP. It was acknowledged that the Board would consider who should fill the Chair role once the environmental seat was appointed.

Eversource Electric EEB representative

Mr. Brydges introduced himself as the new Eversource Electric representative to the EEB, replacing Chris Plecs.

Board annual planning meeting – plan for the day

Mr. Diamond said that the invite-only Board tour at Watson Foods would take place the morning of June 12. He said that following the tour, there would be a lunch at United Illuminating, and then the Board meeting would start at 1:00 and likely end at 3:30.

¹ Meeting materials available in Box.com: <https://app.box.com/s/8xa2zug56qunqm2lresawo225ctjcw2>

Programs and Planning

CT legislative update

Ms. Duva provided an overview of the product efficiency standards bill she said was being considered in the Energy & Technology Committee of the CT General Assembly.

Update on heat pump or heating pilots

Mr. Reed provided a presentation which summarized the presentation provided by the Companies in the morning's Residential Committee meeting.

Update on C&LM cost-effectiveness

Ms. Duva provided an update. She said that DEEP would likely hold a public meeting sometime in May or June of this year.

Customer Engagement Platforms (CEP) follow-up

Mr. Schlegel noted that Eversource would provide information at this meeting and then likely again at the May meeting, and that the Board could choose to take action at the May meeting or at a future meeting. Mr. Schlegel also said that Eversource did not intend to invest any additional funds in its CEP until the Board takes action. Mr. Bruno provided a presentation. It was noted that the CEP has 77,000 users, and about 15% of those have participated in energy efficiency programs, but it was not known how many of those customers were motivated/caused by the CEP. Mr. Bruno said that in the future Eversource would have the ability to track the link between CEP participation and participation in energy efficiency programs. Mr. Beup asked how much Eversource had spent on the CEP so far. Eversource said they had spent \$9.5 million of C&LM funds to date. Mr. Beup said it was not yet clear where CEP customers were coming from. Mr. Araujo noted that Eversource would be using the CEP for messaging and testing customer behavior on the CEP. He said the CEP learns from each customer's experience. Mr. Beup said that Eversource needs to show what the value of the CEP is regarding implementation of energy efficiency measures. Mr. Beup emphasized that it was still not known what the link was between the \$9.5 million investment and resulting energy efficiency measures. Mr. Bruno said that much of the \$9.5 million investment was up-front development of the system. Ms. Fargo-Johnson and Mr. Beup said they wanted to see numbers showing CEP dollars spent per customer, and also how many customers took action due to the CEP. Mr. Schlegel agreed with Ms. Fargo-Johnson and Mr. Beup, and said that Eversource needed to provide these numbers and show the connection between spending and customers taking action. Mr. Traver agreed as well. Ms. Fargo-Johnson asked Ms. Lano to provide historical cost information on UI spending of C&LM funds on UI's CEP.

Inclusive Prosperity Capital (IPC) follow-up

Mr. Garcia noted that he and Ms. O'Neill were appearing before the Board to answer two specific questions from the EEB: 1) What was the role of C&LM funds in IPC? Ms. O'Neill said that there was no role of C&LM funds in the start-up or on-going operation of IPC. Mr. Schlegel asked if there were any C&LM matching funds used. Ms. O'Neill said there were no C&LM funds used as matching funds. 2) What were the sources of IPC's start-up

funding. Mr. Garcia said that funding sources included: 1) a six-year funding contract with the Green Bank; 2) Kresge Foundation funding over a 3-year period (not related to administering CT programs, and for other legal/administrative activities); a 3) a DEEP grant of \$6.5 million, consisting of a \$5 million grant and a \$1.5 million grant. Mr. Garcia said that IPC was continuing to capitalize the fund, using the Kresge Grant as a foundation match. He said that IPC was also working with two other foundations, one of which was the McNight Foundation. Mr. Garcia said the purpose of IPC was to reduce costs, and that is why the Green Bank was supporting the IPC over a six-year period. Ms. Sotos said that DEEP's funding of \$5 million was comprised of \$2 million was from RGGI (she noted that DEEP had discretion on how to use those funds, and that DEEP had spent RGGI funds on emergent needs); \$2 million from the UI settlement; and \$1 million from the NU/NSTAR merger. Ms. Sotos said that DEEP went through the government's single-source approval process. She noted that the DEEP grant did not cover any out of state activities. Mr. Garcia noted that the CGB Board decided that it did not want to give up the low return programs that support low-income populations, so that is why they approved formation of IPC.

Update on Capital for Change (C4C) funding request to EEB

Mr. Schlegel provided an update. He said there were challenges with C4C's capital needs, covering the buy-down, and operational costs. He noted that Cal Vinal was working with the Green Bank to search for a different, lower cost, source of capital, and also capital that would provide more leverage. Mr. Schlegel said that Mr. Vinal's request to the Board was currently on hold.

Energize CT Center discussion

Ms. Duva reminded the Board that one of DEEP's conditions of approval was for the Companies to provide data on the Energize CT Center. She said that DEEP requested that the Companies present the data, and DEEP would like to get the Board's input on the data. Mr. Riddle provided a presentation. Mr. Bruno noted that the Energize CT cost split for Eversource and UI was not favorable to Eversource, so Eversource would prefer to close the Center. Mr. Bruno said that if the Center were kept open, Eversource would provide a 25% cost share, instead of a 70% cost share, which was the previous level of support. Mr. Riddle said it was possible that UI might be able to notify the property owner before August to terminate the lease. Ms. Fargo-Johnson said she supported closing the Center, particularly because about half the visitors are there for meetings only. She said she would prefer that the funds be used in other programs across the state. Ms. Duva asked the Board if it would consider establishing a fee for using the Center for meetings. Ms. Duva also noted that the local government had stopped paying for school buses to the Center, and that had a very negative impact on the number of school children attending the Center. Mr. Beup asked if there might be more cost-effective ways to run the Center in a different location. Mr. Beup said that there was not enough value to justify keeping the Center open, and would prefer that the funds be spent at other educational facilities. Ms. Fargo-Johnson said the main purpose of Center was education, so it would be better to partner with larger existing educational organizations. Ms. Duva said she would like to hear from Board members not in attendance today. Ms. Fargo Johnson suggested that input should be sought from the three members not in attendance today. Mr. Traver said that UI customers would benefit much more than Eversource customers. He said he was

undecided about whether the Center should close. He asked if UI wanted to keep the Center open. Ms. Lano said that UI would like to see the Center stay open. She noted that attendance had dropped a little because the Center had not been open as much over the last year. She said that students enjoy attending the Center very much. Ms. Lano and Mr. Riddle said the Center had an educational value that couldn't necessarily be achieved at other venues. Ms. Lano asked if the Green Bank might be interested in funding part of the Center, since the Green Bank uses the Center often for meetings. Ms. Fargo-Johnson suggested that Green Bank funding could be discussed at the upcoming Joint Committee meeting. It was agreed that as a next step, UI would develop a revised proposal for the Board to consider, including re-negotiating with Eversource. Ms. Fargo-Johnson said her main concern was that the Center was not reaching enough people in enough parts of the state. It was agreed that this topic would be on the Board agenda again in May.

Other

Mr. Araujo announced that the Companies had been awarded the Energy Star Partner of the Year Award for Sustained Excellence in several programs. Mr. Schlegel noted that the EEB Consultants would coordinate with the Companies to form working groups in order to respond to two recent Condition responses from DEEP.

Closing Public Comments

None.

The meeting adjourned at 3:17 pm.