



## Energy Efficiency Board Monthly Meeting

Wednesday, January 10, 2018, 1:00 – 3:30 PM  
10 Franklin Square, New Britain, CT (Hearing Room 1)

### MINUTES<sup>1</sup>

#### In Attendance

Voting Board Members: Taren O'Connor (Chair), Bill Dornbos (Vice-Chair), Diane Duva, Amanda Fargo-Johnson, Neil Beup, Ravi Gorthala, Jack Traver, Mike Wertheimer, Eric Brown (phone)

Utility Board Members: Ron Araujo, Pat McDonnell, Chris Plecs

Board Members Not in Attendance: Adrienne Houel, Roddy Diotalevi, Will Redden

Board Consultants: Jeff Schlegel, Glenn Reed, George Lawrence, Craig Diamond, Lisa Skumatz (phone), Chris Kramer (phone), David Jacobson (phone)

Others: Mary Sotos, Michele Melley, Pam Penna Verrillo, Walter McCree, Leticia Colon, Kyle Ellsworth, Guy West, Joe Swift (phone), Mark Thompson (phone), Anthony Clark (phone)

#### Process

##### Minutes

The Board considered whether to approve the minutes from the December 13, 2017 Board meeting. Ms. Fargo-Johnson moved to approve. Mr. Gorthala 2<sup>nd</sup>. All present voted in favor. **December 13, 2017 minutes approved.**

##### Public Comments

None

#### Programs and Planning

##### Financial update, preliminary 2017 year-end results

Mr. McDonnell gave a brief overview of UI, CNG, SCG preliminary year-end results. Mr. Araujo gave a brief overview of Eversource preliminary year-end results.

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<sup>1</sup> Meeting materials available in Box.com: <https://app.box.com/s/in9c973qzfadmd7cbh0xgk6ipq4i3kf2>

### DEEP Approval with Conditions of 2018 Plan Update, including revisions/budget adjustments

Ms. Duva provided a presentation, which included an overview of the letter from the Office of Policy and Management on the timing of the C&LM revenue diversion.

### DEEP-approved evaluation studies and 2018 evaluation studies budget, and Evaluation Administrator Budget

Ms. Skumatz provided a presentation on the proposed Evaluation Administrator Budget and Evaluation Studies budget. She said the proposed Evaluation Administrator cut was 13%. Mr. Dornbos said he acknowledged DEEP's right to rule on the Evaluation budget, but he supported the recommendation from Ms. Skumatz. Mr. Brown asked Ms. Duva to explain DEEP's basis for its decision on the Evaluation studies budget. Ms. Duva said the most important goal was to meet the ISO New England requirements for delivering energy efficiency to the Forward Capacity Market; therefore, impact studies should take precedence over process studies. She provided an explanation of why DEEP had voted against several studies in the Evaluation Committee, and she noted that those studies were also removed as part of DEEP's ruling. She said that DEEP would consider the recommendations of the Evaluation Administrator. Mr. McDonnell noted the difference between accrual and cash accounting. He said that UI needed to figure out some accounting issues related to Evaluation. He also said that if the Evaluation budget were to be higher than \$3 million in 2018, the amount over \$3 million would need to be taken from somewhere else in the C&LM budget. Mr. Traver said the Board should discuss the Evaluation Administrator proposed budget. Mr. Schlegel recommended that the Board consider the following motion: the Board supports the recommended list of studies, with the condition that the financial impacts need to be confirmed. It was clarified that the original 3-year Evaluation Plan budget was \$9 million, and DEEP's Condition of Approval had set it at \$7.8 million for the 3-year Evaluation Plan. The following motion was proposed and moved by Ms. Fargo-Johnson: **The Board supports the Evaluation studies list put forward by SERA, with the understanding that at the February meeting the Board will consider calculations of spending on Evaluation studies thus far. Mr. Dornbos 2<sup>nd</sup>. All voted in favor, except for Mr. Brown who voted no and DEEP which abstained.** The following motion was proposed and moved by Mr. Traver: **The Board supports the \$269,000 SERA budget for 2018. Mr. Gorthala 2<sup>nd</sup>. All voted in favor, except Mr. Brown who voted no and DEEP which abstained.**

### Board Consultants 2018 budget and workplans

Mr. Schlegel provided an overview of the proposed 2018 EEB Consultants budget, which was a 15% cut from 2017 (electric budget). He discussed a chart which showed changes from 2017 for the different technical consultant areas. Mr. Kramer said that he would be leaving his Board Consultant position, and EFG as well. Mr. Schlegel said that the Board's financing activities would be covered by him for the Joint Committee, by Mr. Reed for Residential issues, and by Mr. Lawrence for C&I issues. Mr. Schlegel said that the proposed changes to the Board Consultants budget and workplans reflect the Board's priorities. He said that there were four reasons that the budget cut should not be greater than 15%: 1) the 2019-2021 3-year plan would require significant effort; 2) the scope of the Consultants' tasks/responsibilities would not change with the size of the C&LM budget; 3)

the 15% cut was consistent with the cuts to utility labor (12%-14% range); and 4) the EEB Consultants' budget was previously reduced significantly in 2016 (by \$100,000), as directed by DEEP. Mr. Traver asked for clarification about the proposed 2018 Board Consultant billing rates. Mr. Schlegel said that the Consultants were proposing to use their 2017 rates, even though contractually the 2018 rates should be higher (per the Schlegel & Associates RFP response). Ms. Fargo-Johnson said the Board relies on its Consultants, and that the proposed 15% cut was already quite high, and that a greater cut would be detrimental to the programs. She said that the maximum cut should be 15%. Ms. Duva asked if DEEP or the Companies could pick up certain tasks from the Board Consultants. Mr. Schlegel said the Companies should pick up certain marketing tasks. Ms. O'Connor said she agreed with Ms. Fargo-Johnson's comments. Ms. O'Connor said she preferred no cut, but that 15% seemed reasonable given the significant budget cuts in other areas. **Mr. Gorthala moved to approve the 15% cut to the 2018 Consultants budget. Ms. Fargo-Johnson 2<sup>nd</sup>. All voted in favor, except DEEP which abstained.**

Board action on deferral of 2018 HES vendor RFQ

Mr. Reed provided an overview of the issue. Mr. Gorthala proposed and moved the following motion: **In consideration of the discussions at the Residential Committee, the Board supports deferral of the HES vendor RFQ until at least August 2018. Mr. Traver 2<sup>nd</sup>.** Mr. Araujo noted that several HES vendors had requested the deferral of HES RFQ. Mr. Araujo also noted that only a few non-HES vendors had expressed interest in the 2018 RFQ. **All voted to approve, except DEEP which abstained and Mr. Brown who did not vote.**

Other

None

Closing Public Comments

None

The meeting adjourned at 3:30 pm.