



Energy Efficiency Board Monthly Meeting

Wednesday, October 10, 2018, 1:00 – 3:30 PM
10 Franklin Square, New Britain, CT (Hearing Room 2)

MINUTES¹

In Attendance

Voting Board Members: Bill Dornbos (Chair), Amanda Fargo-Johnson (Vice-Chair, phone), Diane Duva, Adrienne Houel, Bruce McDermott, Jack Traver, Taren O'Connor, Mike Wertheimer, Neil Beup

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

Board Members Not in Attendance: Eric Brown, Justin Connell, Roddy Diotalevi

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

Others: Steve Bruno, Julia Dumaine, Donna Wells, Mickey Wiernasz, Kyle Ellsworth, Jane Lano, Will Riddle, Guy West, Paul Horowitz (phone), Mark Thomson (phone), Jennifer Hunsperger (phone), Amanda De Vito Trinsey (phone), Vinay Ananthachar (phone), Rebecca Meyer (phone), Anthony Clark (phone), Samantha Caputo (phone)

Process

Minutes

The Board considered whether to approve the minutes from the September 12, 2018 Board meeting. Ms. Houel moved to approve, Mr. Wertheimer 2nd. All present voted to approve. **September 12, 2018 EEB meeting minutes approved.**

Public Comments

Amanda De Vito Trinsey, representing Connecticut Industrial Energy Consumers (CIEC). Ms. De Vito Trinsey said she appreciated the efforts of the Companies and the Board to make progress on CIEC's requests for the 2019-2021 Plan. She noted that conceptually, what had been put in the Plan so far had been a significant improvement. Mickey Wiernasz, Fireye. Mr. Wiernasz requested that the Fireye boiler control technology be taken off "table" status with the Policy Working Group (PWG). He said that the process was "back to square one." He explained the energy efficiency benefits of the technology, and why the PWG should approve the technology.

Programs and Planning

2019-2021 C&LM Plan

¹ Meeting materials available in Box.com: <https://app.box.com/s/wmqwin9kxldgm9g2yh7rwijnldi4813>

Mr. Schlegel discussed the plan for the meeting today. He said that the Board Consultants would be recommending the Plan text, budget, and initial approval of the goals, and noted that there were still some issues outstanding. He noted that the Performance Management Incentive (PMI) metrics would not be voted on at today's meeting.

- Changes to plan text and budget since September 10 Board meeting to address conditions of approval. Mr. Schlegel and Mr. Bruno provided a joint presentation. Mr. Schlegel discussed changes that were made to the Plan since the September 12 meeting. It was noted that there were many issues that would be uncertain past 2019, so those issues would need to be further addressed in the 2020 and 2021 Plan Updates. Regarding the PMI metrics, Mr. Schlegel said the Consultants were recommending that the level be 4.5% in 2019, 2020, and 2021. He said the Companies might propose a higher percentage in the 2020 Plan Update.
- Presentation and discussion on budget, goals, and savings. Mr. Bruno and Mr. Schlegel discussed the proposed budget. Mr. Wertheimer asked about the HES program budget. He said the HES structure should be re-thought given the declining savings for lighting. In regard to the Residential Behavior Program, he expressed concern about the value/necessity of the program in the context of a constrained budget. Mr. Schlegel said that there would likely be significant changes to HES in 2020 and 2021. In regard to the Behavior program, Mr. Schlegel noted that the program is good way to reach customers beyond the HES program. Mr. Wertheimer said was concerned that the HES program did not reach enough customers, and said that the Residential programs should not be considered jobs programs. Mr. Plecs said that the Behavior and Retail Products programs have high cost-effectiveness. Ms. Duva noted that CT statute requires 80% weatherization by 2030, and in order to achieve that goal, we need to address insulation and HVAC, particularly for low-income residents. She said the Residential programs need to be considered over several years (even though in one single year, not many customers are served). Ms. O'Connor said that she agreed with Mr. Wertheimer's and Ms. Duva's comments. She said we need to closely re-examine the Residential programs. Ms. O'Connor said she was not very supportive of the Behavior program and its home energy report. Mr. Bruno discussed the proposed savings in the Plan. Mr. Schlegel said the Consultants were recommending initial approval of the proposed savings and goals. He noted that moving funds away from Behavior and retail (lighting) would significantly lower electric savings. Mr. Plecs noted that many states were experiencing the same trends of decreasing electric savings per dollar invested.
- FINAL VOTE on 2019-2021 plan text, budget, and savings/goals. Recommendation for Board motion: **1) Board approval of plan Text, with the understanding that there will be revisions to the CSP/SEM demonstration; 2) approval of the Budget with the focus being on 2019, and with the understanding that there would be revisions in 2020 and 2021; 3) initial approval of goals/savings, with the focus being on 2019, with the understanding that there would be improvements needed for 2020 and 2021. The following would be brought back to the Board for an electronic vote (on October 19) following today's meeting: PMIs, CSP/SEM demonstration, final goals, public input summary. Mr. Traver moved to approve the motion. Ms. Houel 2nd. All present voted to approve, except DEEP, which abstained from voting because the Plan comes to DEEP for its review and approval.**

Results of Electronic Votes on C&LM Plan: As required by the Board's approved motion at the October 10 meeting, an electronic vote was issued on October 19. The result of that vote was 5 yes, 1 no, and 4 abstain (including DEEP, which abstained from voting because the Plan comes to DEEP for its review and approval); therefore, the Plan was not approved because Board rules require that at least two-thirds of Board members eligible to vote need to vote yes in order for the Board to approve Plans and budgets. A second electronic vote was issued on October 30. The result of that vote was 6 yes, 2 no, and 2 abstain (including DEEP, which abstained from voting because the Plan comes to DEEP for its review and approval). The result of the second vote was inconclusive, because there were differing opinions expressed among Board members about whether DEEP should be considered an eligible voter when voting on Plans and budgets. As a result of the inconclusive second vote, the Board will be conducting a third vote on the Plan at its meeting on November 14.

Update on DEEP process to address cost-effectiveness testing in CT

Ms. Duva said that there would be two additional public meetings on cost-effectiveness testing; one on November 15, and then another in March 2019. She said that DEEP would consult with the EEB on cost-effectiveness testing in May 2019.

Update on Fireye product eligibility issue

Mr. Schlegel said that the Consultants were recommending that the Fireye technology be field-tested in CT (potentially along with similar technologies), and then the Companies could choose to use the technology further in its programs. Mr. McDonnell said he agreed with the recommendation, and would also like to have the results evaluated through the Evaluation Committee. Mr. Plecs said that most of the cost of the field testing should be paid for by the manufacturer. Ms. O'Connor said the CEEF should not cover any costs of the testing, unless such a decision was discussed by the full Board first. Mr. Traver suggested that perhaps the customer could pay for the M&V for the technology. Mr. Schlegel said the Consultants would work on the issue with the Companies.

Update on SBEA recapitalization

Mr. Bruno provided an update. He said that Eversource was on track to complete the negotiations with Amalgamated Bank by the end of the year. Ms. Lano, for UI, said that they had only \$1 million in CEEF funds for this, so they would need to use \$ 2 M in shareholder funds. Also, she said UI's billing system would need to be modified, so there would be costs associated with that. She said that when the term sheet is complete, they will modify cost projections and present them to the Board.

Other

Mr. McDonnell announced that he would be UIL's Director of Regulatory Affairs, and that this would be his last EEB meeting. Ms. Duva noted that the ACEEE ranking for CT moved up from 6th to 5th in the 2018 Ranking. She also noted that CT was tied for 3rd for its utility energy efficiency programs.

Closing Public Comments

Mickey Wiernasz. He said he wanted to clarify that 10 Franklin Square was selected after Fireye had already done projects nation-wide. He noted that they did it through an Energy Savings Performance Contract (ESPC). He proposed an ESPC pilot project in various CT buildings where Fireye would get paid for performance of the technology. Mr. Dornbos encouraged Mr. Weirnasz to work with the Companies and the Consultants on developing an approach moving forward.

The meeting adjourned at 3:10 pm.