



Energy Efficiency Board Monthly Meeting

Thursday, October 13, 2016, 1:00 – 3:30 PM

Energize CT Center, 122 Universal Drive N., North Haven, CT

MINUTES¹

In Attendance

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

Utility Board Members: Pat McDonnell, Ron Araujo, Chris Plecs (phone)

Board Members not in Attendance: Jack Traver, Mike Wertheimer, Chris Ehlert, Will Redden

Board Consultants: Les Tumidaj, Jeff Schlegel, Craig Diamond, Glenn Reed (phone)

Others: Pam Penna Verrillo, Steve Bruno, Walter McCree, Guy West, David Dobratz, Lynn Stoddard, Vinay Ananthachar, Rebecca Meyer, Paul Gray, Mark Thompson

Process

Minutes

The Board considered whether to approve the minutes from the September 14, 2016 Board meeting. Mr. Dornbos moved to approve, Mr. Gorthala 2nd. All present in voted in favor, except Mr. Gorthala who abstained because he was not in attendance at the September 14 meeting. **September 14, 2016 minutes approved.**

Public Comments

None

Executive Secretary's Report

Mr. Diamond said that he would be providing the Board with a proposed EEB and Committee meeting schedule for 2017 at the November Board meeting. Ms. Duva suggested that the Board might consider using the Energize CT Center more often than it did in 2016. Mr. Diamond will ask Board members through email for their preferences in regard to the frequency of meetings at the Energize CT Center in 2017.

¹ Meeting materials are available in Box.com: <https://app.box.com/s/m95wm3o3ff8nw87klyda99k7qs2uk3l2>

Programs and Planning

Update on Demand Resource Pilots: Plans and Schedule

Mr. Dobratz of Eversource provided a presentation on Eversource's C&I demand resource pilot projects. Mr. Bruno then provided a presentation on Eversource's residential wi-fi thermostat pilot projects and smartplug pilot projects. Then Mr. Gray of UI provided a presentation on UI's residential demand resource programs, including the Smart AC program, and the EnergyHub and central AC pilot projects. Then Mr. Gray discussed UI's C&I pilot projects; he said that UI would geographically target two or three C&I customers, with the projects kicking-off in the summer of 2017. He then discussed the peak time rebate pilot project planned for 2018; he said it would be a residential behavior demand response program. Mr. Schlegel said that the Evaluation Committee would have an opportunity to have input into the pilot projects at the beginning, and then would do evaluations at end of the pilot programs (this is included in the 2017 Plan Update). Ms. O'Connor asked how many customers would be involved in the pilots. She said she would like to assure that there will be enough data to guide future program planning. Mr. Schlegel said it was important to have enough data for input into the 2018 Plan Update, as there would need to be important budget decisions and trade-offs to consider. He said that in order to achieve that goal, the pilot projects would need to be in the field by May of 2017. Mr. Schlegel asked how much would be implemented by Eversource by the summer of 2017, particularly their C&I pilots. Mr. Bruno said that Eversource had enough budget to cover about 12 customers, but said they could cover more customers if they could find a way to reduce the budget required per customer. Ms. Duva reminded the Board that there would be a DEEP public meeting on October 27 on demand response, and that the outcome of that meeting would help to inform the Comprehensive Energy Strategy.

Education Plan

Mr. Schlegel commented that the Companies had addressed recent public comments on education and the Green LEAF program in the 2017 Plan Update.

Vote on 2017 C&LM Plan Update: Text and Budget/Revenue

Mr. Schlegel said that the focus for the Board at this meeting was to review the changes that had been made to the 2017 Plan Update since the September Board meeting. He said the Board Consultants were recommending the following process for voting on the 2017 Plan Update: 1) vote at the meeting on the Plan Update document currently before the Board; 2) vote through email on a Board letter of support, which would be drafted by the Board Consultants early next week, and would likely include comments on the demand resource pilots; 3) vote through email on the Public Input summary, which would be completed soon; and 4) vote through email on the Program Savings Document (PSD), which would be completed within the next few weeks by the Companies. Mr. Schlegel noted that the Board Consultants likely would be providing the following comments in the support letter for the Board's consideration: 1) Time of Use Rates – the Board should consider not taking a position on Time of Use Rates; 2) Demand Resource pilots – recommend that the Companies include a commitment of a schedule and volume of projects; and 3) Savings and benefits – recommend that the Board clarify with the Companies that the Board might need to revise savings and benefits recommendations

based on the outcome of the final PSD and other factors. Mr. McDonnell clarified that the LED retail program goals should not be adjusted.

- Plan Text. Mr. Bruno provided a presentation on changes in the Plan Text since the September meeting.
- Budget/revenue. Mr. Bruno provided a presentation on budget and revenue, and discussed the budget and revenue tables. Mr. McDonnell noted that the budget tables would need to be adjusted based on the final 2016 results, which would be available in early 2017. Mr. Beup asked about the Companies' effort to identify and secure lower costs of capital for the small business loan program. In regard to the municipal component of the small business loan program, Mr. Bruno noted that the CT Green Bank was working to identify capital sources, and that it was going to propose a special purpose entity for that purpose. Mr. Tumidaj clarified that this effort was not in the current Plan Update document. Mr. Schlegel recommended adding to the Plan Update that lower cost capital could potentially be provided by the CT Green Bank or other potential partners, including M-Core as one possibility. Mr. Beup said he would like to discuss this more at a future C&I meeting. Mr. Dornbos said he was very pleased to see the demand resource pilots moving forward. He said he liked much of what had been proposed, but wanted to assure that there would be a sufficient volume of projects and sufficient timing of projects. Mr. Dornbos also commented that the Board should not take a position on time-varying rates as part of the Plan Update. Ms. O'Connor said she would take the same position as Mr. Dornbos, and also said that Mr. Wertheimer (via her proxy) also held that position.

Mr. Schlegel recommended a **motion for the Board's consideration to approve the Plan Update with the following qualifications: 1) the Board does not take a position on time varying rates in the Plan Update (therefore, the Companies will remove that language from the document); 2) the Companies will specify a sufficient scope of the demand resource pilots, with a focus on newer demand opportunities including automation and integration (and with potential winter peak projects as well) with adequate completion dates so that information will be available in September of 2017; 3) C&I small business financing needs to be clarified; and 4) the Board supports the two-part planning approach, but the Board might need to recommend adjustments to savings and benefits (this does not pertain to proration adjustments).**

Vote: Ms. Houel moved to adopt the motion proposed by Mr. Schlegel, including the four qualifications noted above. Mr. Gorthala 2nd. All present voted in favor, except Ms. Duva who abstained because DEEP will be reviewing the Plan Update. Mr. Wertheimer was not present, but voted in favor via a proxy vote provided by Ms. O'Connor. Motion passed. It was noted that the Board would vote electronically on a Board letter of support and public input summary next week. It was also noted that the Board would vote electronically on the PSD within the next few weeks.

Ms. Duva said that there would be a public comment meeting on the Plan Update on November 4 (10:00 am at 10 Franklin Square in New Britain). She requested that the Board letter be distributed for electronic voting as soon as possible, so that the letter could be

posted on the DEEP website prior to the public comment session. Ms. Duva also noted that written public comments on the Plan Update were due to DEEP by November 14.

Financial and HES program update

Mr. Araujo provided an update for Eversource, and Mr. McDonnell provided an update for UIL.

Other

Ms. O'Connor announced that Ms. Houel was the new Chair of the Residential Committee.

The meeting adjourned 3:26 pm.