



Energy Efficiency Board Monthly Meeting

Wednesday, September 9, 2015, 1:00 – 4:00 PM

Eversource Offices, 107 Selden St., Berlin, CT – Conference Dining Room

MINUTES¹

In Attendance

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

Utility Board Members: Pat McDonnell, Ron Araujo

Board Members not in Attendance: Matt Gibbs, Mike Casella, Chris Ehlert

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

Others: Walter McCree, Leticia Colon, Travis Estes, Donna Wells, Sharron Emmons, Diane Del Rosso, Steve Bruno, Joan Cizek, Guy West, Vinay Ananthachar, Lynn Stoddard, Marissa Westbrook, Eric Gribbin (phone), Rebecca Meyer (phone)

Process

Minutes

Via an electronic vote following the meeting (conducted Sept. 11-15), the Board considered, and voted to approve, the minutes from the August 12, 2015 Board meeting. Six members voted electronically to approve, and two abstained. **August 12, 2015 Board meeting minutes approved.**

Public Comments

Travis Estes, Next Step Living - he said that he would send comments to Mr. Diamond to distribute to the Program Administrators. Leticia Colon - said the bidding process in an RFP for a community education program was not followed correctly, and asked the Board to look into that.

Executive Secretary's Report

Mr. Diamond reviewed the EEB and Residential meeting schedule and location changes for September through December of 2015.

¹ Meeting materials can be accessed in Box.net: <https://app.box.com/s/gajyc7wg2m56juxjt58fqj7ju98i7gcq>

Programs and Planning

2016-2018 C&LM Planning

- *Review planning schedule, progress to date, and upcoming milestones.* Mr. Bruno provided an overview of the planning schedule and milestones. There was no Board discussion.
- *Overview of Revised Draft C&LM Plan.* Mr. Bruno provided an overview of statewide electric and gas spending, savings, and cost rates (\$/kwh). He also provided an overview of savings/benefits. He noted that the performance incentives need to be worked on further. A question was asked about the HES-IE penalty in the current performance incentives. Ms. Bergert said that the penalty should be maintained.
- *Review Revised Draft Plan Text, Including the Priority Topics Identified for Board Review and Discussion:*
 - HES/Home Performance: program revision recommendations (follow up from discussion at the August meeting). Ms. Wells provided an overview of the revised HES/Home Performance recommendations. Mr. McDonnell pointed out that the HES proposal has changed quite a lot since the initial proposal in April of this year. Mr. Wertheimer asked for clarification on the co-pay. Mr. Schlegel pointed out some of the positive changes that had occurred in the HES proposal. Ms. Bergert said that we need to maintain control over vendor quality. Mr. Brown asked what opportunities there are for CBIA members to submit comments on the Plan. Mr. McDonnell and Mr. Araujo noted that there have been many opportunities since April for stakeholders to provide input. Ms. Duva noted that there would be an opportunity for stakeholders to provide comments to DEEP between the Oct. 1 Plan filing and DEEP's issuance of its decision following review of the plan.
 - Broadening reach of Residential and C&I programs to reach new or underserved market segments (including an update on the analysis of the low-moderate income segment). Ms. Wells and Mr. Araujo provided an overview on this topic. Mr. Araujo noted that Eversource customers below 60% AMI and above 200% AMI are being served well by the Residential programs, but that customers in the middle income segments (between 60% and 200%) are being served less well. He noted that savings are highest below 60%. He said that Eversource is ramping up programs to reach the "working poor" segment (60% - 80%), and is continuing to conduct analyses. Ms. Bergert asked about language barriers in some communities. Mr. Araujo said that Eversource is working on that. Ms. Wells said that an analysis conducted by UIL concluded that the 60% - 80% segment is not being underserved. Based on this analysis, Mr. McDonnell suggested maintaining the programs as they are in regard to outreach and how well they are serving various income segments.

- Segment and tailor program offerings to provide enhanced value to customers, and communicate the customer value. Mr. Bruno provided an overview of this topic. There was no Board discussion.
- Address winter and summer peak demand, including through demand response and load management. Ms. Wells provided a brief overview of a Pilot Demand Response Program proposed by UIL. Mr. Bruno said that Eversource still needs to decide what direction to take with demand response/load management given Eversource's recent exit from the Forward Capacity Market.
- Advance new technologies and practices including connected equipment and energy management and analytic systems. A brief overview of this topic was provided. There was no Board discussion.
- Education offerings, priorities, and workforce development, including proposals regarding ISE and the Energy Manager Program. Ms. Wells explained that the education programs have been re-organized into Educate Students, Educate the Public (biggest component is Clean Energy Communities, which is about \$3.5 M total), and Educate the Workforce. Mr. Dornbos said that Acadia Center wants to make sure that public education is producing results; in particular, regarding municipal action plans, it is not clear what the energy savings results of those plans have been. Mr. McDonnell said UIL could generate that information. Ms. Duva said that DEEP is having internal discussions regarding the funding sources of education programs, and that education is one of the parts of the Plan that DEEP will be focusing on. Ms. Duva said, for example, that perhaps some of the education programs theoretically could or should be funded more by taxpayers (via DEEP) and less by ratepayers. She said that DEEP is also interested in looking at the municipal energy action plans.
- Financing coordination and priorities, including EEB/Green Bank Board Joint Committee consolidated priorities. Mr. Brown requested that mention of the Joint Committee and the Joint Committee authorizing legislation be mentioned in the upfront sections of the Plan. Ms. Duva provided an overview of the Joint Committee recommendations, which are in the Appendix of the Plan.
- *Review revised draft goals (savings and benefits), cost-effectiveness, and supporting tables.* Mr. Dornbos said that the savings goals in the current draft Plan are too low. There was discussion among several Board members about whether CT's cost savings are high enough, in particular compared to other states. Ms. Bergert and Mr. Wertheimer suggested that the Board Consultants meet with the Companies as soon as possible to discuss potential ways to raise savings goals for electric and gas; the Board agreed this should occur. Mr. Wertheimer said he agrees with Mr. Dornbos that the savings goals are too low. Mr. Dornbos said that in order to increase savings goals, the Board would need to decide what to emphasize and what to de-emphasize in the Plan. Ms. O'Connor and Ms. Bergert agreed that savings goals should be increased. Mr. Dornbos proposed that the budget vote be postponed to next meeting. Mr. Tumidaj said that C&I 2016-2017 budgets are

"pretty solid", but that 2018 might need some more work. Mr. McDonnell said that it might be helpful to get direction from the Board regarding non-savings programs, such as education. Mr. Schlegel said that financing alone will not significantly increase savings rates, and that other factors are more important in terms of increasing savings rates. Mr. Beup said there is limited demand for financing products. Mr. Brown said that customers need to understand the cash flow impacts of financing products. Ms. Duva said that DEEP is potentially interested in seeing funds shifted from education to direct savings programs. Mr. Dornbos said he also would potentially be interested in seeing that. Ms. Duva said that DEEP believes that investments in IT might allow for reductions in spending on Evaluation, and that funds could potentially be shifted from Evaluation. Ms. O'Connor said that the Evaluation budget is too low, not too high.

- *Review Revised Draft Budgets (including funding sources)*. Mr. Schlegel described the highlights of the electric and gas draft budgets. There was some discussion about whether it makes sense to shift funds from the Residential gas budget to the C&I gas budget. Ms. Bergert said she would not support that. Regarding the 2015 budget, Mr. Araujo commented that Eversource's residential portfolio was projecting to exceed its natural gas budget, but Eversource's C&I gas budget was expected to be below budget. To avoid curtailing program activity in the residential sector and in particular, income eligible customers, he said Eversource intends to utilize available C&I budget for any residential gas expenditures above their residential budget.
- VOTE: Revised draft budgets. The Board agreed to postpone the vote on the budget until the September 24 meeting.

VOTE: Consultant Procurement Process

The Board agreed to postpone the discussion and vote on the consultant procurement process until the September 24 Board meeting. Ms. Duva said that the Board should consider if the Managing Consultant model is a better model than the current model.

The meeting adjourned at 4:04 pm.