



## Energy Efficiency Board Monthly Meeting

Wednesday, April 13, 2016, 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 (Acting Chair), Mike Wertheimer, Eric Brown, Ravi Gorthala, Adrienne Houel, Diane Duva, Amanda Fargo-Johnson (phone)

Utility Board Members: Ron Araujo, Matt Gibbs, Pat McDonnell, Michael Cassella

Board Members not in Attendance: Neil Beup, Bill Dornbos, Chris Ehlert

Board Consultants: Craig Diamond, Jeff Schlegel, George Lawrence, Glenn Reed, Les Tumidaj (phone), Chris Kramer (phone)

Others: Guy West, Julia Dumaine, Linda Foreman, Greg Geller, Chris Plecs, Dave Dobratz, Steve Bruno, Pam Penna, Evan Seretan, Edward Levene, Walter McCree (phone), Paul Hogan (phone)

#### Process

Welcome new Board member Adrienne Houel

Ms. O'Connor welcomed new Board Member Adrienne Houel. Ms. Houel provided a brief overview of her background.

#### Minutes

The Board considered whether to approve the minutes from the March 9, 2016 Board meeting. Ms. Fargo-Johnson moved to approve, Mr. Wertheimer 2<sup>nd</sup>. All voted in favor, except Ms. Houel who abstained. **March 9, 2016 minutes approved.**

#### Public Comments

Mr. Edward Levene from Levco Energy provided comments about smart thermostats, which his company provides. He discussed his company's products, and said that they will bring value to the state of CT.

#### Executive Secretary's Report

Mr. Diamond provided a brief update on the upcoming Board meeting schedule and agenda topics.

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<sup>1</sup> Meeting materials can be accessed at: <https://app.box.com/s/m1x6nuq4w7r6zk5gmqmm8fx8exnvza9>

## Announcements

Mr. Gibbs announced that he will be leaving Eversource effective April 19. He said that Chris Plecs will be representing Eversource electric on the Board moving forward. Mr. Schlegel also announced that Mr. Beup had moved from United Technologies to a new company – Praxair in Danbury, CT.

## Program Updates/Highlights

### Companies' plan for demand response pilots and findings to date regarding analysis of demand reduction opportunities

Mr. Plecs from Eversource and Mr. McDonnell provided a presentation. Mr. McDonnell said that one benefit of demand response is reducing the need for capital expenditures. He said that a meeting was needed with ISO New England to discuss how their market rules affect demand and demand response. Then Mr. Dobratz provided a presentation. Mr. Schlegel asked about when the demand response pilots would be implemented. Mr. McDonnell said that it might be difficult to implement the pilots by this summer. Ms. Duva said that in its decision approving the Plan, DEEP indicated that DEEP was pleased to see that Demand Response pilots were included in the Plan. She said that DEEP does not want to impede the Companies' efforts to move forward with the pilots. Therefore DEEP is noting for the record at this meeting that the condition of approval is about the report, not the pilots. Mr. Geller from EnerNOC commented that it is important to align demand response programs with the highest levels of energy cost (i.e., afternoon summer hours). He said that EnerNOC's experience was that commercial & industrial customers have been able to respond to summer peak programs. Mr. Schlegel agreed that reducing energy costs was an important objective for demand response programs, and said that implementing the demand response pilots this summer would be an opportunity for cost savings. Mr. Dobratz provided a brief overview of the C&I pilot projects being considered. He said that they would like to choose a small facility, such as a pharmacy, and focus on rooftop HVAC units; a medium-sized facility, likely a manufacturer; and a large facility, with a focus on reducing demand charges on their electric bills and augment existing controls. Mr. Gorthala asked about the role of lighting in demand response, and said that lighting might be a better option than HVAC on very hot days. Mr. McDonnell said that residential pilot projects are ready to be implemented, once DEEP issues its decision on the Companies' April 1 response to DEEP's condition on demand response. Ms. Duva noted that the condition of DEEP's approval required submittal of a report on the status of DR pilots, not a requirement to approve the pilots. Mr. McDonnell noted that the Residential pilot was in the Plan, so that helped clarify the status of the Residential pilot, but since the C&I pilot was not described in the Plan, it might be necessary for the companies to await the DEEP response.

## Programs and Planning

### HES vendors' ideas and concerns on HES implementation

Ms. Duva provided a presentation (the same presentation was provided to the Residential Committee in the morning). There was no Board discussion following the presentation.

### VOTE: Authority of EEB representatives to the Joint Committee

Mr. Schlegel summarized a memo that was provided to the Board. The memo proposed that the following two sentences be added to the paragraph in the EEB Roadmap on the Joint Committee: "The endorsement or implementation of opportunities examined by the Joint Committee requires action by the Energy Efficiency Board. The Energy Efficiency Board's representatives to the Joint Committee shall not vote on any measure before the Joint Committee that would commit the Board to any action or support, or constitute the Joint Committee taking a position on any matter before any local, state, regional or federal legislative or administrative body, without first bringing the matter to the Board for review and approval." Mr. Wertheimer said that the suggested changes to the EEB roadmap accurately reflect the statute. Ms. O'Connor said that she agrees with Mr. Wertheimer. Ms. Fargo-Johnson said that she agrees with Mr. Wertheimer and Ms. O'Connor. Mr. Brown said that he was supportive of the second sentence in the recommended Roadmap changes, but not the first sentence; he recommended that the first sentence be removed from the changes. Mr. Brown also recommended that the first sentence of the existing language in the EEB Roadmap paragraph on the Joint Committee be amended to read: "Conn. Gen. Stat. § 16-245m(d)(2) requires the Energy Efficiency Board and the Green Bank to establish a joint committee to examine opportunities to: 1) coordinate programs and activities; and 2) provide financing to increase the benefit of C&LM programs." Mr. Wertheimer and Ms. Fargo-Johnson said that they agree with Mr. Brown's recommendation to amend the first sentence of the existing language, but would like the first sentence of the new language to remain as proposed. Ms. O'Connor said that she agrees with Mr. Wertheimer and Ms. Fargo-Johnson on that. Mr. Brown recommended that the Board consult with Commissioner Klee and Commissioner Smith before voting to adopt the first sentence of the proposed language. Ms. Duva said that the direction the Joint Committee received from the Commissioners was to be nimble and get things done. Ms. Duva said the Board should ask itself if the resolved language could potentially impede constructive action on the part of the Joint Committee. Ms. Duva suggested that the Board wait and see what situations might occur in the future that could pose a problem before making changes to the EEB Roadmap. Mr. Brown agreed with Ms. Duva's suggestion. Mr. Wertheimer and Ms. Fargo-Johnson suggested that a vote be taken today. Ms. O'Connor suggested that the Board vote separately on the two sentences. **Ms. Duva moved that the Board adopt the 2<sup>nd</sup> sentence as proposed; Mr. Brown 2<sup>nd</sup>. All voted in favor to adopt the first sentence. Mr. Wertheimer moved to adopt both sentences as proposed; Ms. O'Connor 2<sup>nd</sup>. Voting yes: Ms. Fargo-Johnson, Mr. Wertheimer, Mr. Gorthala, Ms. O'Connor. Voting no: Ms. Duva, Mr. Brown, Ms. Houel. Motion to adopt both sentences approved. Ms. Fargo-Johnson moved to amend the first sentence of the existing language as proposed earlier in the discussion (see above); Mr. Wertheimer 2<sup>nd</sup>. All voted in favor. Motion to amend the first sentence of the existing EEB Roadmap language on the Joint Committee approved.**

### Board's role regarding response to DEEP RFP for Clean Energy

Mr. Gibbs provided a presentation. He requested that anybody on the proposal evaluation team (as defined in statute) leave the room to avoid any conflict of interest among Eversource staff involved in proposal development and proposal evaluation. Mr. Araujo and Mr. Plecs left the room because they will be involved in proposal evaluation. Mr. Gibbs said that Eversource's interpretation of the statute was that the Companies and Board should answer the question of whether there was more energy efficiency potential in Connecticut for the electric distribution companies to bid on. Mr. Gibbs believes that there is more energy efficiency opportunity in CT. He said he would like to know if Board agrees with that. Mr. McDonnell said that he agrees with Mr. Gibbs's presentation and comments. Mr. Schlegel said the Board generally agrees that there is more energy efficiency potential in CT, above and beyond what has already been targeted in the C&LM Plan. There was no formal vote on this topic, but no Board members expressed disagreement with Mr. Schlegel's comment of the Board's position.

### Monthly financial report

- *Eversource HES customer demand challenges and planned responses.* Mr. Araujo gave a presentation (the same presentation was given at the Residential meeting in the morning). He noted that there was a very big decline in January and February this year in HES activity. He said the primary reasons for the large decline were unusually warm winter temperatures and low oil prices.
- *Update on New Opportunities.* Mr. Araujo said that New Opportunities, Inc., a Community Action Agency, owes Eversource over \$3,985,000. The money owed is for energy assistance payments from the 2014-2015 heating season. Mr. Araujo said that of the total amount owed, approximately \$1.5 million was impacting 8,400 Eversource electric customers, and approximately \$2.4 million was impacting 11,000 Eversource gas customers. Beginning in September 2015, Eversource began withholding payments to New Opportunities for HES-IE work. Since September 2015, Eversource has withheld a total of \$640,000 in payments. Ms. O'Connor said that Board should stay abreast of the issue. She also said that customers need to get their services delivered, and that New Opportunities should receive its payments.
- *SCG budget status* – covered in above presentations.
- *Operational Report* – covered in above presentations.

### Other

Ms. Duva gave a presentation on the March 28 workshop on energy education in CT. There was no discussion following the presentation.

Mr. Gibbs mentioned the current proposal in the CT General Assembly to take CT's share of RGGI funds. He said that if the proposed cuts go through, that would have the potential to significantly impact Residential programs.

Mr. McDonnell announced that the CT Energy Efficiency Fund had received an Energy Star Partner of the Year award. This is an important and special award for the state's energy efficiency programs.

**5. Closing Public Comments – none.**

**The meeting adjourned at 3:40 pm.**