



## **Energy Efficiency Board Annual Retreat**

**Wednesday, June 14, 2017, 9:00 AM – 2:30 PM  
Energize CT Center, 122 Universal Drive North, North Haven, CT**

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

#### **In Attendance**

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

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

Board Members Not in Attendance: Eric Brown, Will Redden, Roddy Diotalevi

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

Others: Pam Penna, Donna Wells, John Kibbee, Jordan Schellens, Ricardo Jordan, Walter McCree, Linda Foreman, Joe Swift, Paul Gray, Fred Mascola, Ellen Rosenthal, Violette Radomski, Mary Sotos, Keri Enright-Kato, Tracy Babbidge, Marissa Westbrook, Jennifer Gray, Paul Murphy, Claire Miziolek

#### **Board Operations and Processes**

Ms. O'Connor said that the intent of this agenda item was for the Board to review and discuss a memo prepared by her and Mr. Dornbos, but not to vote on the memo today. She said the intent was for the Board to vote on the memo (and any potential changes to it) at the August meeting. Ms. O'Connor and Mr. Dornbos noted that the proposed changes were based, in part, on input received from other Board members. Mr. Beup said the ideas proposed in the memo were very good. He noted that the C&I Committee was trying a new approach in which all C&I Board members are invited to participate every other month, while the other meetings are more technical. Mr. Beup said he supported developing program performance metrics, particularly as they relate to what is important to C&I customers. In regard to reducing the time the Companies spend reviewing financial results at Board meetings, Mr. McDonnell said that it would not be a problem to post monthly financial/program reports for Board review. Mr. Wertheimer said he strongly supported the proposed changes in the memo. He noted that the Board, and its functions, had changed significantly over the years. He noted that the meetings used to be more adversarial, and that much more detail needed to be worked through and debated, and therefore monthly financial reports were very important (that is less so now). He also noted that the Board used to be more independent, and that there were no

---

<sup>1</sup> Meeting materials available in Box.com: <https://app.box.com/s/yorwtog54sv6xxxeb12smobyz92h8ojw>

Consultants in the beginning. Ms. Houel said she agreed with Mr. Beup's and Mr. Wertheimer's remarks. Regarding the Residential Committee, Ms. Houel said she wanted to rely on the technical consultants to raise any issues that needed to be addressed. She said that it was not a good use of Board member time to cover the same issues in both the Residential Committee and Board meetings. She said she liked the idea of "managing by exception." She also said that more meetings could be attended by phone rather than in person. Ms. O'Connor agreed, but noted that there had been cases – such as with the meeting on multi-family issues – in which an in-person meeting was necessary. Mr. Gorthala said he agreed with the proposed changes in the memo. Mr. Schlegel said that he agreed with Mr. Wertheimer's review of the history of the Board's evolution. Mr. Schlegel noted that there used to be no active Committees as we have now. He further noted that the Committees allow more issues to be dealt with outside of the full Board. He said that a challenge would be identifying which issues do, and do not, need to come before the full Board. Mr. Schlegel said that important issues for which the Board Consultants and Companies do not agree often need to come before the full Board. Mr. Wertheimer said he agreed that full Board should address issues for which the Consultants and Companies don't agree. Mr. Reed noted that the C&I and Residential Committee meetings have evolved very differently, with the Residential meetings including input from HES vendors. Ms. Duva said that DEEP could provide a forum for input from HES vendors and other stakeholders, and/or the Residential Committee could continue to be a main forum for HES vendor input. Ms. Fargo-Johnson said she fully supported the proposed changes in the memo. She said she agreed that the Committees and the full Board should focus on issues and problems, and limit the amount of time spent on updates. She also noted that she relies a lot on the ability to use phone and web conferencing, and would like documents to be prepared more in advance so Board members have more time to review them. Mr. Araujo noted that issues with the Green Bank have often needed attention, so any changes in Board process should reflect that. Ms. Houel said that the C&LM Plan had been too separated from other issues the Board addresses, and that the Plan needed to be better integrated into other issues the Board works on. Mr. Beup agreed there was too much separation between the Plan and the issues the Board works on. Mr. Schlegel noted that the C&LM Plan meets certain regulatory and statutory requirements, and sometimes those might not reflect all important programmatic issues that need to be addressed. Mr. Plecs said that the proposed Board process changes would help to better address the value of the programs. Mr. Dornbos said that he hoped the proposed Board process changes would allow the Board to address more strategic and forward-looking issues. Mr. McDonnell suggested that for the 2019-2021 Plan, the Board should spend more time upfront identifying high level goals based on policy objectives, market changes, etc. Mr. Traver said he generally agreed with the proposed changes, but noted that if the C&LM budget gets dramatically reduced, the Board might actually need to meet more often for a while to address the reduction.

Ms. O'Connor invited Board members and the Committees to discuss the proposed changes. Mr. Schlegel said the Consultants would assume that the Board is headed in the direction of the changes, and would start to make process adjustments in advance of the Board's vote on the proposed changes at the August meeting.

## **Remarks from Mary Sotos, Deputy Commissioner for Energy, DEEP**

Ms. Sotos complimented the Board and the CEEF for their work. She then offered some observations on the current legislative session. In regard to the bill on the Millstone Nuclear Plant, she said she had concerns about the financial sustainability of nuclear energy and about procurement practices. She noted that a bill had been passed giving DEEP procurement authority for fuel cells and other technologies. Mr. Dornbos asked if DEEP could share their thoughts on the legislative proposal to take funds from the C&LM Fund. Ms. Babbidge said that DEEP had been engaged in educating the Office of Policy and Management and others on the technical benefits of the C&LM programs. Mr. Traver noted that energy efficiency was the least expensive form of generation, and that needs to be communicated to the legislature. Ms. Sotos agreed, and noted that an energy efficiency project was selected as one of the small generation projects through the recent RFP.

## **State Budget Update**

Mr. Dornbos said that the original legislative proposal to cut the C&LM budget by \$160 million per year (for two years) had been reduced to a cut of \$68 million. He noted that, in addition, a proposal to take all CT RGGI funds had been put forward, along with a proposal to reduce the budget of the CT Green Bank. Mr. Dornbos said it was not clear when these proposals would be resolved and/or voted on. Mr. Schlegel showed a few letters to the Board which had been signed by stakeholders (one letter from business stakeholders, and one letter from advocacy/environment stakeholders) supporting full continued funding for energy efficiency. Mr. Plecs said that Eversource had been working with vendors and customers to make sure legislators receive information on energy efficiency benefits (e.g., jobs, etc.). Ms. Houel asked how ratepayer funds could be used for general fund purposes. Mr. Wertheimer said that the legislature had been delegated the function of ratepayer funding, so it was ultimately the legislature's prerogative to use the funds how it sees fit. Ms. O'Connor clarified that the EEB was not taking a position on the proposed fund reductions, and that the EEB was not lobbying on these issues.

## **Energy Strategies and Priorities in Connecticut**

### **Governor's Council on Climate Change and Preview of Comprehensive Energy Strategy**

Ms. Enright-Kato presented an update on the Governor's Council on Climate Change. Mr. Plecs noted that the sector greenhouse gas reduction goals would be helpful in development of the 2019-2021 C&LM Plan. Ms. Babbidge then presented an update on the draft Comprehensive Energy Strategy (CES) under development. She said that this CES had been developed by DEEP staff, not by consultants. She also noted that DEEP was planning to develop the next Integrated Resource Plan after the CES was completed. She said that this CES would be more tactical than the last CES, and that the focus would be on how to meet the state's climate goals. She said there were three chapters: Clean Energy, Buildings, and Transportation. She said that DEEP was aiming to release the first draft during the first two weeks of July. The release would be followed by technical meetings and public hearings, with a 60-day written comment period prior to finalization. Mr. Araujo asked about the role of the water/energy nexus in the CES. Ms.

Babbidge said that would be included in the Buildings chapter. She said DEEP was still thinking through the role of the water/energy nexus.

#### Strategic Electrification: Key Elements, Opportunities, and Challenges

Mr. Schlegel and Mr. Reed provided a presentation. Mr. McDonnell noted that price was an important factor with heat pumps. He also commented that the policy direction was important, that is whether CEEF funds could be used to encourage fuel switching. He asked what policy tools could be expected from DEEP (e.g., fuel taxes), and other policy tools/drivers.

#### What's My Motivation? Why C&I Customers Act

Mr. Kibbee provided a presentation on an analysis that had been conducted by Eversource on what motivates C&I energy efficiency customers. The end of his presentation included several conclusions and recommendations for Board consideration. He said that the analysis would inform many of Eversource's internal business decisions over the next few months. Mr. Murphy of Electri-Cable Assemblies provided a presentation on his company's experience with the Business Sustainability Challenge. He provided an overview of the company, its policies and processes, and its energy and sustainability approaches. An important theme/conclusion of his presentation was that ECA's sustainability practices were motivated primarily by non-environmental factors such as safety and process efficiency.

#### Smart Energy Homes and Connected Equipment

Ms. Miziolek of NEEP, Mr. Gray of UI, and Mr. Araujo of Eversource all provided presentations.

The meeting adjourned 2:30 pm.