



## Energy Efficiency Board Monthly Meeting

Wednesday, September 13, 2017, 1:00 – 3:30 PM  
10 Franklin Square, New Britain, CT (Hearing Room 2)

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

#### In Attendance

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

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

Board Members Not in Attendance: Will Redden, Roddy Diotalevi

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

Others: Sean Condon, Linda Foreman, Walter McCree, Pam Penna Verrillo, Vinay Ananthachar, Donna Wells, Lynn Stoddard, Anthony Clark, Fred Mascola, Mackey Dykes, Laura Fidaio

#### Process

##### Minutes

The Board considered whether to approve the minutes from the August 9, 2017 Board meeting. The Board decided to defer the vote and conduct an e-vote instead. After the meeting, Mr. Plecs and Ms. O'Connor e-mailed edits to Mr. Diamond who incorporated the edits into the draft minutes.

##### Public Comments

None

##### Status of CEEF financial and operational audits

Mr. McDonnell said the RFP for the auditor did not produce any results. He said a new RFP was issued and had resulted in two responses. Mr. McDonnell said he would keep the Board updated on the progress of procurement for the auditor.

##### Status of Evaluation data issues

Ms. O'Connor said that a working group had been formed to make progress on this issue. She said the group had conducted three conference calls. She said that a letter was being developed regarding the resolution of the issue, and there likely would be an e-vote on the letter soon. Mr. Schlegel clarified that there was no blame associated with the costs. He

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<sup>1</sup> Meeting materials available in Box.com: <https://app.box.com/s/j94nesiyevrik6v9uasmkd2l7o5ucga>

said the funds for the data costs would come from non-Evaluation funds that are not fully expended. Mr. Plecs said the Companies were not sure yet where in the budget the funds would come from. He said they would decide later in the year.

#### Update on funding for University of New Haven project

Mr. McDonnell referred the Board to a letter from DEEP approving the project. Mr. McDonnell said that the Companies were withdrawing their past request to the Board for it to consider UNH's request for cost-sharing.

### **Programs and Planning**

#### 2018 Plan Update

Mr. Schlegel said that the Board vote today would be on budget and revenue only, and that the other parts of the 2018 Plan Update would be voted on at the October meeting. Mr. Ananthachar and Mr. Mascola provided a presentation on the Plan Update. Mr. McDonnell said the Time-of-Use (TOU) rates budget would be reduced from the currently proposed \$1 million. He said it might be reduced to approximately \$750,000, but he was not sure yet on the final number. He clarified that if the Board were to take action on the budget today, the budget would include \$1 million for TOU rates, but the final number would be lower. Mr. Schlegel noted that the Statewide Marketing Plan would focus more on the value of energy efficiency and less on the Energize CT brand; as a result, the communications part of the budget might be reduced by approximately \$200,000. Mr. Schlegel said the Consultants were recommending that the Board approve the budget and revenue today, with the understanding that the TOU rates and marketing parts of the budget likely will be reduced. Those reductions would be re-allocated to other programs. Ms. Houel asked about the flexibility in the budgets over the course of a year. Mr. Schlegel said the Companies could re-allocate between programs within Residential or within C&I, but that funds could not be re-allocated between Residential and C&I. He said the Companies could go over budget within the first two years of a three-year plan, but would then need to make that up in the third year and ultimately not be over budget at the end of the three-year plan. Ms. Houel moved to approve the budget and revenue for the 2018 Plan Update as proposed, taking into consideration the likely budget changes noted above. Ms. Fargo-Johnson 2<sup>nd</sup>. All present voted to approve, except Ms. Duva who abstained. **The budget and revenue of the 2018 Plan update was approved.**

#### Review and discuss draft EEB comments on Comprehensive Energy Strategy (CES)

Mr. Schlegel provided an overview of the outline of comments he provided to the Board. Mr. Brown said that while he believed there was some benefit to the Board submitting comments on the CES because it would demonstrate Board engagement with the CES, he suggested that the comments should be at a very high level so that Board members could agree on the comments. Mr. Plecs said he also thought the comments should be at a high level. Mr. Wertheimer also said he agreed that high level comments would be preferable. He said he would review the draft comments carefully, and said he had some initial concerns about some of the comments. Mr. Dornbos also said he agreed that high level comments would be preferable, and believes the EEB needed to take some action to show engagement. It was agreed that the Board would have some discussion today about which

of the topics should, and should not, be included in comments, and that Mr. Schlegel would expand on the comments the Board wanted to keep. He said the Board would then conduct an e-vote on the final draft of comments. There was discussion on the following topics in the draft outline: Strategic Electrification, Levying a Fuel Oil Efficiency Charge, and Demand Response. Mr. Brown and Mr. Wertheimer suggested the focus in the comments should be on cost-savings, not on climate change.

#### SBEA Financing Proposal

Mr. Clark provided a presentation. Mr. McDonnell and Mr. Plecs provided comments about why the Companies support the **concept proposal** (*change requested by Chris Plecs*). Mr. Beup said he believes the Companies and the Green Bank should proceed with the next steps included in the presentation. Mr. Beup recommended that the Board endorse the proposal conceptually, and then conduct a final vote once the additional steps have been taken. Mr. Plecs said Eversource would prefer that loan losses be paid by JPMorgan and not by the CEEF. Mr. McDonnell said he thinks the proposed financing arrangement would help scale the program, which would mean more projects and also more costs. Mr. Kramer said he agreed that there were additional questions that needed to be answered, but he thought the overall approach and proposal were strong, and said he would be comfortable with a higher level vote today given that there will be another final vote. Mr. Clark said an EEB endorsement would be an important signal to JPMorgan, particularly given the budget risk posed by the legislative process in CT. Ms. Houel said she would like more detail on projects/savings that would come from the proposed financing arrangement, along with a comparison to other similar funds. Mr. Schlegel suggested that we needed more information on which parties (CEEF, Green Bank, etc.) carry risk, and how big those risks are. Ms. O'Connor asked Board members if they would like to proceed with an endorsement vote at the meeting today. Some Board members said they had not had time yet to review the proposal (contained in the presentation), and would like to do so before they vote to endorse the proposal. It was agreed that the Board consultants would draft an endorsement memo that would be distributed to the Board for an e-vote within the next week. It was also agreed that the Board Consultants would compile a list of questions from the Board within the next week, and forward those questions to the Companies and the Green Bank. Their responses would be discussed at next month's EEB meeting.

#### Review HES co-pay Residential Committee recommendation and Board vote

Ms. Houel commented that we need to do analysis and data gathering as soon as possible to address questions about the impact of the HES co-pay increase on low/moderate income customers, and other questions about market conditions related to the HES program.

#### Closing Public Comments

**None**

**The meeting adjourned at 3:45 pm.**