



**Energy Efficiency Board
Monthly Meeting**

Wednesday, October 10, 2012, 1:00 – 3:30 PM

Department of Energy and Environmental Protection – Public Utilities Regulatory Authority
10 Franklin Square, New Britain, Connecticut

EEB Voting Members in Attendance: Jamie Howland, Daniel Esty, Mike Wertheimer, Taren O'Connor, Joel Gordes, Neil Beup, Eric Brown, Amy Thompson (Phone)

Utility Representatives: Ron Araujo, Pat McDonnell, Joe Crocco, Mike Cassella

Not in Attendance: Dale Williams

Other Attendees: Jeff Schlegel, Les Tumidaj, Glenn Reed, Cindy Jacobs, Art Marcelynas, Katie Dykes, Rick Rodrigue, Bryan Garcia, Tyra Peluso, Theresa Hopkins-Staton, Peter Ptak, Sheri Borrelli

MINUTES¹

1. Process

- A. Agenda – The agenda was accepted as presented without any changes.
- B. Due to the absence of Executive Secretary Tim Cole, the minutes of the September 26, 2012 Board meeting were not available for action.
- C. Public Comment
 - Nick Payton, representing OPower provided a summary of the impact evaluation completed by the Brattle Group. In regard to energy savings, the evaluation confirmed that increased savings were realized by all groups based on income, usage and heating source. Comm. Esty asked that the utility companies provide comments and general feedback on the results presented. CL&P stated that based on the increased awareness and energy savings based on the evaluation, this type of program will be built into the 3 year C&LM Plan. CL&P further stated that they wanted to determine if customers participating in the HES program had increased savings as opposed to the control group of customers. UI stated that the results from this effort reinforce other studies and that it is important to engage customers and encourage these types of strategies in the future.
 - Joel Reinbold from the CT Center for Advanced Technology provided a brief update on the progress to develop an Office of Efficient Business as a result of the passage of PA 11-80. He described implementing a targeted approach to creating new programs for

¹ Meeting materials available at <https://www.box.com/s/c9fowxxinxdpegst4ib9>

businesses in urban communities with the intent to reduce the cost of energy. He stated that he would like to meet with DEEP/PURA, the utility companies and interested communities to discuss their training module design that focus on training people from the communities in which they live to serve their own community. Mr. Reinhold indicated that the City of Hartford will be participating in a pilot program. Dep. Comm. Katie Dykes asked that the Board provide comments and suggestions at this early stage of the pilot since this is when feedback is most critical. Comm. Esty commented that the point of the program is not to replicate what the utilities are already doing but to generate leads to funnel into the pilot to create momentum in the urban areas. Eric Brown asked if a demonstration of the mentioned "training module" could be provided at the next Board meeting.

D. CEFIA Report

- Bryan Garcia provided an update on the following CEFIA activities:
 - 1) CEFIA's annual budget for 2013 is \$150 million in private capital and \$30 million in ratepayer funding. They have a breakdown of performance targets by customer segment. (Bryan will send this info to Peter)
 - 2) CPACE – A Fact Sheet and Flowchart was distributed to the Board members.
 - 3) The Residential Solar Program – Currently the ratio is \$2 per homeowner to \$1 per ratepayer.

Mr. Garcia stated that CEFIA wants to move away from incentives. He discussed the Solarize CT program launch, aimed to drive costs down by creating competition. He provided an example that the Town of Durham in the last decade had approximately 21 installations. They have already received 16 applications since the launch of the program.

Mike Wertheimer asked about customers being shut off for non-payment as it relates to CPACE. Mr. Garcia indicated that shut-off for non-payment would not apply as this would be a senior loan on the customer's mortgage, not a loan to be repaid as part of their utility bill. Joel Gordes commented that people might be resistant to taking on debt at this time given the state of the economy and suggested a "willingness to pay" study. Mr. Garcia responded and referred to the top four states as rated by ACEEE and how they talked about financing. He suggested that the term "loan" needs to be re-branded because this is really an "investment."

E. Consultant Committee – No report

F. EE Board Calendar and Schedule

The Board briefly reviewed the Board Calendar and Schedule, noting that the Plan is due in two weeks.

G. ACEEE State Scorecard Report

The recently released ACEEE Scorecard Report showed Connecticut moving from #8 to #6. Comm. Esty noted that its good progress and the governor said five more places to go.

Comm. Esty asked where we can gain additional points. Dep. Comm. Dykes noted that ACEEE's description of CT's programs needs refreshing. Eric Brown stated that CT innovative programs are not recognized by ACEEE. Comm. Esty recommended that the Board send a letter to ACEEE about what they do not capture regarding CT programs and that a group should be formed to address this.

2. Issues and Tasks

Outstanding Issues – None addressed

3. Programs and Planning

A. Comprehensive Energy Strategy – DEEP

Governor announced the release of the Draft Report on Oct. 5. Comm. Esty commented on the CES executive summary and requested that the Board provide feedback. The focus of the report is cheaper, cleaner and reliable energy. Regarding energy efficiency, the report calls for broader and deeper savings in all sectors, performance contracting, MUSH market and all homes, apartments and condominiums. In the C&I sector, need to create financing programs to expand access to the programs. Comm. Esty expressed his concerns about expanded renewables, the industrial sector, Combined Heat and Power, Natural Gas expansion and transportation. He further commented that the Governor also wants feedback and that the final CES is planned to be released in early 2013. Dep. Comm. Dykes announced that technical sessions will be held on 11/27 and 11/28 at PURA as well as a daylong session on 11/20 at DEEP's Phoenix Auditorium. Ron Araujo suggested that the November EEB meeting include a discussion on the CES. Dep. Comm. Dykes added that there is an opportunity for recommendations from the EEB regarding its role and involvement in the process. Jeff Schlegel suggested that Board comments should be provided as soon as possible so that he understands the Board's position which will allow him to know how to prepare comments on behalf of the EEB and proceed during the scheduled sessions. Comments due Dec. 14.

B. DEEP Coordination update and 2012 Plans

- 2012 C&LM Plan – DEEP and PURA Review
 - Clarification of PURA Order on 2012 gas funding and collections

CL&P filed a response to PURA's Decision issued on 9/19/12. In PURA's Decision, they issued a directive to hold in "abeyance" any further CAM revenue relating to the Expanded Natural Gas Conservation Plan which they approved on January 4, 2012. In CL&P's filing, the following was addressed: : (1) base level funding for 2012, including incremental funding for a particular Yankee project, and (2) an adjustment to the CAM rate downward to allow only for the collection of base plan and incremental project funding. PURA has not yet issued a response to the filing.

CL&P needs to submit their revised goals based on the allocation of the \$18.2 million to programs. This needs to be submitted to the consultants prior to the next meeting. UI is still assessing the impact of the recent Gas Decision and its impact. They have no carryover.

- Update on CAM Proceeding and PURA review of DEEP Determination on 2012 Expanded Plan

We are waiting on PURA's ruling on the AG and OCC Motion requesting that PURA require CL&P to participate in the proceeding and provide the same application required of UI which includes pre-filed testimony and documentation regarding additional C&LM spending such as expenses and revenues, benefits to ratepayers and cost-effectiveness. Including CL&P in the proceeding is consistent with §16-19b(c) and will allow PURA to consider the merits of a CAM consistent with DEEP's Determination for both of the state's electric distribution companies in a single proceeding.

- HES Co-Pay Level, Utility Analysis, and Board Recommendation

The EEB is expected to approve a modification of the Home Energy Solutions program co-pay from \$75 for all participants to \$50 for HES participants that heat with electric or natural gas, and a \$75 co-pay for HES participants that heat with oil or propane, effective October 1, 2012 through January 2013. In January 2013 the co-pay will be reviewed and possibly adjusted to \$99 for oil and \$75 electric/gas. The EEB's approval will be communicated in writing to DEEP and PURA.

Comm. Esty asked the Companies if different co-pays are confusing to customers. (Note: The statute requires different co-pays based on heating source.) Comm. Esty commented that the oil companies should voluntarily fund the price differential. Joel Gordes responded stating it will be a difficult battle to have the oil companies, which are not regulated, contribute. He suggested that language be written so that the co-pay could change should contributions come in from the oil companies. He observed that companies could contribute to co-pays, namely by setting up or using an existing 501(c)(3) nonprofit into which the oil companies could make contributions, which would then be used to cover co-pays for HES audits for oil customers

Ron Araujo noted that the cost of HES for oil only measures is higher than the co-pay. Mike Wertheimer stated that the law says the price has to be different and that's the issue on the table that needs to be addressed since we are currently out of compliance with the statute.

Pat McDonnell suggested that legislative restrictions need to be eliminated.

C. 2013-2015 Multi Year Plan

- Jeff Schlegel stated that the Plan is due to be filed on 11/1 and we are still aiming to meet that date and will not be seeking an extension at this time. Mike Wertheimer asked about the Board's review and approval process and suggested the approval be bifurcated into base/expanded for approval purposes. Pat McDonnell clarified there is 1 Plan and the Companies expect to submit a draft to the Board by the end of next week. Dan Esty stated the Plan should reflect the following in terms of savings: 1.7% in 2013; 2.1% in 2014; and, 2.5% in 2015.

Ron Araujo responded noting concern around the 1.7% as CL&P is currently only at .85%.

Dan Esty stated that MA was able to do it so CT should. Jeff Schlegel added that plan development is not a problem. The plan will be completed but what the regulators do with the plan is out of the Board's control. Mike Wertheimer added that regulators not

present at the council meeting need to take timely action. Pat McDonnell concurred and added that PURA review is needed. Dan Esty commented that he will hold the Board's feet to fire and that anyone needing guidance in reviewing the Plan to approve in a timely manner should seek assistance from Jeff S. Jamie Howland stated the Board will decide in two weeks (next Board meeting) whether or not to seek an additional extension of time. Also a vote on the Base plan will be taken assuming the plan is received by 10/19. Dan Esty added that a vote on the Expanded plan should take place at the November Board meeting which is about 5 weeks out.

Dan Esty also noted that the Companies plan should include how CEFIA fits in and how their efforts will assist in attaining goals.

4. Committee Reports

- A. Evaluation Committee – No report
- B. C&I Committee –

Per Les Tumidaj, the Companies should use their presentation as a guide for the C&I section of the Plan.

- C. Residential Committee – No report
- D. Fuel Oil Conservation Board – No report

5. Outreach and Marketing

- Statewide marketing project update: Phase II has been approved. The website is under development and the anticipated launch is the week of 12/17
- Friday Mayor O'Brien, New Britain is having an HES inspection performed at his house

Minutes taken by Peter Ptak, CL&P

Edited by Tim Cole, Executive Secretary, EEB