



**Energy Efficiency Board
Monthly Meeting**

Wednesday, January 9, 2013, 1:00 – 3:00 PM

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

MINUTES¹

EEB Voting Members in Attendance: Daniel Esty, Jamie Howland, Shirley Bergert, Eric Brown, Daniel Esty, Joel Gordes, Taren O'Connor, Amy Thompson [phone], Michael Wertheimer

Utility Representatives: Ron Araujo, Pat McDonnell, Dale Williams

Not in Attendance: Neil Beup, Michael Cassella, Joe Crocco

Other Attendees: Tim Cole, Kim Oswald [phone], Glenn Reed, Jeff Schlegel, Les Tumidaj [Consultants]; Kate Boucher, Alex Kragie, Rick Rodrigue, Jessie Stratton [DEEP]; Bryan Garcia [CEFIA]; Pam Penna, Jeff Pollock, Tilak Subrahmanian [utilities]; Frank Gorke [CLEAResult], Chris Halpin [Celtic Energy], Doug Cahill, Stewart Hudson, Heather Gillette, Janette Baxter

The officially noticed monthly meeting of the Energy Efficiency Board commenced at 1:10 pm with Vice Chairman Jamie Howland presiding.

1. Process

- A. Agenda – The agenda was reviewed and approved as presented. Joel Gordes noted that he had received Neil Beup's proxy for voting on matters that might be presented.
- B. Minutes – The minutes of the September 26 and December 12, 2012 board meetings were approved on a motion by Jessie Stratton seconded by Joel Gordes.
- C. Public Comments [3 minutes per organization] –
 - Stewart Hudson of the Tremaine Foundation introduced the "Power of Change" municipal awards program Tremaine is sponsoring in collaboration with two other Connecticut philanthropies, the Common Sense Fund and the Hampshire Foundation. The group has retained Mintz and Hoke to develop the program. Heather Gillette and Jeanette Baxter from Mintz and Hoke joined Mr. Hudson in making the presentation describing the program.² He stressed the importance of third-party recognition of municipal efforts to embrace energy efficiency. The group has been coordinating with the Clean Energy Communities program and the Energize CT development team. In response to a question from Shirley Bergert about whether middle and secondary schools are included among municipal buildings, Ms. Gillette indicated that the concept now focuses on elementary schools but could be expanded. Mr. Hudson confirmed that the group is working

¹ Meeting Materials Available in Box.net Folder <https://www.box.com/s/zpopjig27gje0nixrhpd>

² 010913 Mintz & Hoke Presentation.pdf

with Bill Leahy at the Institute for Sustainable Energy. Ron Araujo expressed an interest in seeing a category for new construction and for regional school districts. In response to a question from Les Tumidaj, Mr. Hudson stated that benchmarking data is collected from EPA's Portfolio Manager and from the utilities. He noted that many projects will be managed by ESCOs, with the data baked into the contract. He also noted that the group recognizes they are embarking on year 1 of a concept that may be modified based on experience.

D. CEFIA Report –

- Bryan Garcia directed the Board's attention to CEFIA's monthly Residential Solar Market Watch update and to the presentation offered to the Residential Committee this morning.³ He further noted that: 1) CEFIA is now working on assembling the capitalization for C-PACE. 2) At the end of the first year for Solar Investment program results that they have done twice as much development in 2012 as previously. 3) A competitive RFP will soon be going out with the objective of maximizing solar deployment using private capital. 4) The Authority is working with utilities and the EEB consultants on financing, technical measures, and marketing. He plans to ask the CEFIA marketing team to have regular monthly meetings with CEEF stakeholders.

E. Consultant Committee –

- Jamie Howland reported that Mr. Gordes has agreed to join the Committee. He also noted that the 2013 Consultant Workplans are not yet ready. The Committee expects consultants to continue working at 2012 monthly rates for the next couple of months until the Workplans are ready for Board review and approval.

F. Convene Dispute Resolution Committee to review HES RFP issue –

- Michael Wertheimer reported that the Committee, comprised of Taren O'Connor, Rick Rodrigue, and himself, had met and reviewed the correspondence received from the vendor dated December 17, 2012, and the companies' response of January 3, 2013. The Committee has received a copy of the RFP and has asked CL&P now to provide any documents supplied at the bidders' conference on September 27, 2012. The Committee may decide to meet w parties after reviewing the documents. Pat McDonnell stated that UI wishes to be involved in the Committee's deliberations. Mr. Wertheimer indicated the Committee would welcome UI's participation.

G. Letter to PURA regarding resolution of 360 State Street matter –

- Before asking for a vote to approve sending the proposed letter⁴ to PURA, Mr. Howland noted that based on a previous PURA ruling, the issue is that UI cannot release Energy Conscious Blueprint rebates without a special contract per PURA. 360 State Street developers opted not to sign the proposed contract as presented. However, UI and the developers have now negotiated a new contract they agree on. The docket has been reopened so PURA can review the new contract. Ms.

³ Residential_Solar_Investment_Program_Market_Watch_Report_December_27_2012.pdf;
Residential Committee_CEEF_CEFIA Presentation_Finance_010913.pptx

⁴ 130109 PURA dkt 10-12-18RE01 F.pdf

Bergert moved to approve the letter as drafted. Mr. Gordes seconded the motion. The motion passed with Ms. O'Connor, Mr. Wertheimer, and DEEP abstaining. The Executive Secretary was instructed to file the letter with PURA.

- H. EE Board Calendar and Schedule – Mr. Cole distributed an updated schedule of standing Committee and Board meetings and other key dates.

2. Programs and Planning

- A. 2012 End of Year Progress Report – Mr. Araujo directed the Board's attention to the projected December results for CL&P and Yankee Gas.⁵ He noted that CL&P showed balanced revenue and expenses for 2012, though slightly below the level included in the Base Budget with 2011 carry over. For UI, Mr. McDonnell reported that expenses were slightly above revenue, but well within the authorized 15% forward spending allowed.⁶
- B. Resolution to forgive Sandy Hook School loan balance – In light of the tragedy that occurred at Sandy Hook Elementary School, Ms. Bergert moved that the Board should approve a resolution proposed by CL&P requesting that DEEP authorize the forgiveness of the \$12,931.38 remaining balance on a Small Business Energy Advantage loan made to the School for energy efficiency improvements. Ms. O'Connor seconded the motion. The motion passed without objection.
- C. HES Co-pay modification recommendation –
- The companies presented recommendations calling for adoption of a new schedule of HES co-pays to be introduced effective March 1.⁷ The recommendations were designed to strike a balance between the policy temporarily reducing co-pays adopted in the fall of 2012 scheduled to end January 1 and concern expressed by vendors about a negative impact on their current marketing efforts if higher co-pays are reintroduced without time for the public to adjust. After extensive discussion of the options, taking account of the fact that the policy in place was clear about the stated end date, the Board entertained a motion by Eric Brown, seconded by Michael Wertheimer, that the introduction of the new schedule of co-pays be tied to envisioned launch of the Energize CT website with January 21 as the set date. According to the revised schedule, customers who heat with electric or gas will be charged \$75 for the co-pay, customers who heat with fuel oil or propane will pay \$99. Mr. Howland noted for the record that he would like to see vendors have more flexibility for marketing and promotions, including benefits to customers. The motion passed with all in favor. Mr. Gordes entered Mr. Beup's vote as an abstention.
- D. DEEP Performance Contracting and Lead By Example initiatives –
- Program manager selection process update – Jessie Stratton reported that a second RFP will go out shortly to identify a Program Manager for the LBE project.

⁵ EEB December 2012 Projection.xlsx

⁶ UI 2012 CLM.2012.12-EEB.xls

⁷ EEB Letter Copay.pdf

- Owners Representative Pool funding and process update – Les Tumidaj directed the Board’s attention to the draft memo in packet.⁸ The C&I Committee has come to the conclusion that it makes sense to channel the funding request through the company-administered Energy Opportunities retrofit program rather than ask for a line item that would require formal Board approval. Therefore, the intent now is to inform the board and to assume that the companies will proceed as described in the memo. Eric Brown inquired whether the envisioned pool will be available only for municipalities and state agencies involved in the Lead By Example program. Mr. Tumidaj indicated that the pool could be used by other markets in MUSH sector besides those served by LBE. Current budgeting calls for up to \$200,000 for the LBE project.
- E. DEEP / PURA coordination update
- CAM proceeding update – Mr. Araujo reported that a motion by OCC to merge the CAM dockets with the C&LM Plan docket had been denied by PURA. There was no other news in the matter. Mr. Schlegel noted that the availability of CAM funding is critical to the Expanded Plan, the 2013-15 three-year plan and the Comprehensive Energy Strategy. It is therefore important to keep a sharp eye on developments regarding these proceedings.
 - 2013-2015 Multi-Year Plan –
 - Procedural update – Mr. Schlegel reported that because there has been no change in the legislation, as before the gas plan will be reviewed by PURA immediately. The electric will be reviewed first by DEEP / BETP and then by PURA after it issues a determination. DEEP has begun its review process on the electric plan.
 - Evaluation Budget vote report – Mr. Howland reported that the compromise budget was passed via electronic vote. The Board will ask DEEP to reconcile the revised budget with the rest of the electric budget tables in the filed Plan. There will be no impact on the gas budgets, nor on PURA’s ability to proceed.
 - 2013-15 C&LM Plan Board comments and resolution – Mr. Schlegel asked the Board to review the latest version of the draft comments and resolution the consultants had prepared based on inputs received since the last discussion.⁹ The document lists recommendations the Board may choose to endorse. He noted that the consultants are not yet ready to support approval of the performance incentives as presented. If the Board is ready to approve the other recommendations, performance incentives should be approved later separately. Meanwhile, consultants are recommending the revised tables and budgets as part of this proposal. Ms. Bergert moved approval of the draft comments and resolution. Mr. Gordes seconded the motion. DEEP, OCC and the Office of the Attorney General indicated they would abstain as parties to the proceeding. In response to a question from Mr. McDonnell about the performance incentives, Mr. Schlegel that a revised matrix could be circulated for an electronic vote. It was

⁸ EEBmemo-deep-espc-2nd-request-d3.docx

⁹ 2013-15ElecGasPlan_EEBcomments_010413toEEB.docx;

agreed that the whole package would be circulated for a vote by Tuesday, January 15, so both the recommendations and the matrix could be submitted together.

- Comprehensive Energy Strategy, Board comments – Mr. Schlegel directed the Board’s attention to the latest draft of Board comments.¹⁰ The draft takes account of comments received from members since the last meeting and aims to find the center of Board opinion. He noted that the Board is not being asked to vote on the CES itself. The main points are to argue for energy efficiency as the first stage in reducing energy use and to promote greater accuracy in CES descriptions of existing programs. Ms. Bergert moved approval of the draft comments. Mr. Gordes seconded the motion. Ms. O’Connor stated that OCC would not vote in favor of the motion based on its view that the CES zero net energy buildings goal does not promote the best use of ratepayer resources. Mr. Gordes commented that he has a chart showing different home performance approaches with their respective costs on a continuum and offered to make it available to OCC for its consideration. Mr. Tumidaj noted that on the C&I side, distribution curves for high performance buildings show a path toward net zero energy, which can be viewed as a strategic objective. Ms. Stratton reported that the comments already received by DEEP are very helpful, and bridge the spectrum. In calling for a vote on the resolution, Mr. Howland noted that the EEB has deep experience and expert knowledge that will be helpful to share with DEEP this way. On the vote, OCC voted no, Mr. Brown, Mr. Wertheimer and DEEP abstained. Remaining members voted in favor including the vote from Mr. Beup cast by Mr. Gordes. Mr. Cole will work with Mr. Schlegel on a final version for filing.

3. Outreach and Marketing

- Joint DEEP/EEB/CEFIA statewide marketing project update – Mr. Schlegel reported regarding the Energize CT website launch schedule and related activities that the launch is now tentatively scheduled for the week between January 17th and 25th. It is hoped that the Governor will be available to make two or three appearances in this time frame. The joint Marketing Services Committee is now working w CLEAResult and Prozek on a revised public relations plan to support the launch. The aim is to schedule events representing different sectors and market segments. The website itself is designed to be very user focused, allowing for different user styles and preferences. For instance, Home Performance with Energy Star has its own page, with its own search function. The content management system is designed to be, allowing for rapid changes. The companies, the Board, DEEP, and CEFIA all have the ability to change and update their own pages. Once the site is launched, the results of a post-launch performance survey will be made available in March.
- Regarding current marketing activities, the companies directed the Board’s attention to their respective events calendars.¹¹

¹⁰ EEB_CEScommentsD3_010713.docx

¹¹ CL&P Events as of 20130108.xlsx; UI Jan2013_EEB Calendar.docx

4. Committee Reports

- Commercial & Industrial – Reporting for the Committee, Les Tumidaj made the following points: 1) The Committee has now made the Lead By Example initiative a standing agenda item. 2) An in-depth discussion with CEFIA about the C-Pace program will be held in the coming month, hopefully at the February Committee meeting. 3) The Committee is now working closely with the companies to develop 2013 action plans under the framework of the 2013-15 C&LM Plan, with particular focus on understanding how revenues are collected and expended by market segments. 4) The Committee will be making it a priority going forward to engage more intensively with the work of the Evaluation Committee.
- Evaluation – Mr. Howland reported for the Committee that responses to the Evaluation Consultant Team RFP have been received. A subcommittee will meet Friday, January 11 to begin reviewing them.
- Residential – Ms. Bergert reported that the Committee is currently engaged in a review of CEEF programming and activities of other stakeholders as the first step in a long-term visioning process.
- Fuel Oil Conservation Board – Mr. Howland noted that there is nothing new to report.

5. Other

- Mr. Araujo reported that most CL&P and Yankee Gas customers can now use the nationally promoted “Green Button” to access their usage data for up to 13 months. He also informed the board that Pam Pelletier is the new liaison person in place of Peter Ptak who has been reassigned to other duties.

6. Adjourn – With no further business to attend to, the meeting adjourned at 3:20 pm.

Respectfully submitted,

Timothy Cole, Executive Secretary