



## Energy Efficiency Board Monthly Meeting

Wednesday, April 9, 2014, 1:00 – 3:30 PM

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

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

#### In Attendance

Voting Board Members: Neil Beup, Amy Thompson, Michael Wertheimer, Joel Gordes, Shirley Bergert, Jamie Howland (Chair), Taren O'Connor (Vice-Chair), Robert Klee/Katie Dykes, Eric Brown (phone)

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

Board Members not in Attendance: Amanda Fargo-Johnson, Dale Williams, Michael Cassella

Board Consultants: Glenn Reed, Jeff Schlegel, Les Tumidaj, Chris Kramer, Craig Diamond, Tim Cole

Others: Diane Duva, Sharron Emmons, Kerry O'Neill, Matthew Gibbs, Pam Penna, Tyra Anne Peluso, Rachael Warden, Carmen McClain-Flemming, Jeff Howard, Tracy Babbidge, Brian Farnen, Tom Franks, Bruce Becker, Sharon Eberman, Jessica Zielinski, Adam Sipperly, Reeceann Buenda, Kuang Huang.

Jamie Howland called the meeting to order at 1:05 pm.

#### **1. Process**

##### Minutes

The Board considered whether to approve the minutes from the March 12, 2014 Board meeting. Following no discussion, Amy Thompson moved to approve; Taren O'Connor 2nd. All voted in favor except Shirley Bergert who abstained. Minutes approved.

##### Public Comments

- Bruce Becker, Becker & Becker - involved with 360 State Street project. Mr. Becker distributed an EEB letter from Jan. 10, 2013. He would like follow-up on that letter. He provided an update on the 777 Main St., Hartford project. Mr. Becker said there

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<sup>1</sup> Materials from the meeting can be found in Box.net: <https://app.box.com/s/93l9q23565s62qy63jbm>

were questions about whether energy efficiency measures are supported in submetered buildings because the regulations not yet promulgated.

- Wendy Warshak, CT Legal Services - urged the Board not to support an On Bill Repayment (OBR) program that allows for shut-off for low income residents.
- John Erlingheuser, AARP - urged the Board not to support OBR shut-off, and to consider alternative approaches that do not involve shut-off.
- Cecil Thomas, Greater Hartford Legal Aid - urged the Board not to support OBR shut-off. He expressed concern about the possibility that landlord payment issues could affect service to tenants.
- Raphael Podolsky, Legal Assistance Resource of Greater Hartford - urged the Board not to support shut-off. As described in the report prepared by board consultant Chris Kramer, Mr. Podolsky said that evidence shows that shut-off is not needed to run an OBR program.

#### Consultant Committee

The Board considered whether to approve the final version of the 2014 EEB Consultant Workplans. Following no discussion, Ms. Bergert moved to approve, Mr. Thompson 2nd. All Board members voted in favor except Eric Brown who voted no. Workplans approved.

#### Calendar Update

- Public Input Session - Mr. Diamond confirmed that the Public Input Session will be held on May 14, 9:00 am - noon, in Room 1C of the Legislative Office Building in Hartford. He also announced that the May 14 monthly Board meeting will be held that same day, 1:00 - 3:30 pm, also in the LOB Room 1C.
- DEEP Residential Energy Performance Roundtable - Craig Diamond and Diane Duva confirmed that the Roundtable will be held on May 21, 9:00 am - noon, in Hearing Room 2 at DEEP/PURA in New Britain.

## **2. Program Update / Highlights**

A presentation was given by Amy Thompson and students from the University of New Haven on an Energy Portfolio and Benchmarking Project. The study, which used Portfolio Manager, was carried out by UNH students and by staff at United Illuminating under the Clean Energy Communities Program. It benchmarked energy use in six towns' buildings in UI's territory (benchmarking is in process in seven more towns in UI territory).

## **3. Programs and Planning**

Financial and Dashboard updates for March 2014 - Utilities.

This agenda item was skipped due to lack of time at the meeting.

On-Bill Repayment Tool Development (CGS 16a-40m)

- CEFIA Update - Kerry O'Neill from CEFIA said that all of the contingencies in the Board's contingencies memo had been addressed, and that CEFIA is ready to continue on with Phase I, pending EEB processes. Ms. Bergert said that the contingencies had been addressed adequately, and urged the Board to move forward with Phase I. Ms. O'Neill said the next steps are for the utilities to file cost-recovery and for EEB/CEFIA to file with PURA. Michael Wertheimer said that clarification of costs and companies' proposals are needed before next discussions can proceed.
- Discussion and vote on OBR shut-off provision - Mr. Kramer, EEB consultant, presented on the report he prepared at the Board's request entitled "Disconnection and On-Bill Repayment: An Analysis of Risks and Benefits." Following Mr. Kramer's presentation, the Board engaged in a lengthy discussion about the risks and benefits of shut-off, about whether the Board should support an OBR program that includes a shut-off provision, and about whether the Board should delay a vote. Katie Dykes said that Mr. Kramer's report shows that there is no evidence one way or another that shut-off improves default rates. Mr. Kramer agreed that we don't have that evidence right now. Mr. Gordes asked who actually decides shut-off, and what is the Board's liability related to shut-off? Ms. Bergert said that the OBR program could have liability, but she is not sure about the EEB. Ms. Duva asked what capital providers say about what data are needed. She said the enabling legislation allows for some flexibility in terms of implementation of shut-off. Representing NU, Sharon Eberman said that NU does not support disconnection in this context. Mr. Wertheimer said that we need to consider issues from the perspective of utilities, customers, cost-benefit, etc. Ms. Bergert said that a shut-off provision would be a mistake; there are alternatives. Ms. Bergert moved that EEB will not approve a loan product that includes shut-off. Mr. Wertheimer seconded Ms. Bergert's motion. Mr. Wertheimer said that the Attorney General's Office functions as a public advocate, and that the Office opposes shut-off. Ms. O'Connor said she agrees that shut-off should not be supported by the EEB. Mr. Gordes agreed that the EEB should not support shut-off. Ms. Duva said that it is the EEB's responsibility to partner with CEFIA to consider alternatives to shut-off; the key is how do we convince capital providers to inject capital into energy efficiency? Ms. Duva said we need to explore alternatives to drive private sector investment in energy efficiency. She also said she wants to see the Lawrence Berkeley National Laboratory (LBNL) reports on this issue that were mentioned by Mr. Kramer in his presentation. Ms. Dykes said that DEEP is not prepared to vote on this issue at today's meeting; she wants to hear CEFIA's response first, and she wants to see the results of the LBNL reports. Ms. Dykes proposed that the vote be postponed until the next meeting. She asked if there is a way we can reject shut-off in a way that is consistent with the enabling legislation. Mr. Wertheimer said that we should vote no on shut-off at today's meeting, regardless of CEFIA's responses. Mr. Brown said he wants to hear a rebuttal and other perspectives before voting; he also would like to see results of the LBNL reports, and does not support a partial vote. Ms. Bergert

amended her original motion to make it a two-part motion: 1) take shut-off off the table now, and 2) work with CEFIA on alternatives. Mr. Brown asked why the Board was in a rush to vote today to take shut-off off the table? Robert Klee said that the legislation said that shut-off "must" be included. Mr. Wertheimer said that the legislation "authorizes" shut-off, meaning that it is permissive; therefore it is an administrative decision whether or not to implement shut-off. Ms. Dykes said that not enough analysis had been done, that one report was not sufficient for decision-making. She would like to have a more in-depth rationale. She said that if shut-off is not implemented, the legislation might need to be amended. Mr. Howland said he does not think any new information will arise that will say the benefits of shut-off will outweigh the risks. Mr. Klee said the report presented today has more coverage of risks than benefits. Ms. O'Neill said she would like the opportunity to come back and respond to allow all policy options to be considered. Ms. Dykes said that the legislative directive needs to be analyzed/documentated. Mr. Wertheimer said the AG's office had reviewed the statute and determined that the legislation leaves shut-off up to administrative authorization. Mr. Brown said that this discussion was supposed to be part of the Phase II discussion, which has not occurred yet, and that CEFIA has not been able to weigh in yet. The Board proceeded to vote on the following motion (amended from the original motion proposed by Ms. Bergert earlier in the discussion): *The EEB will not approve an OBR program that allows for shutoff of utility service for default on a loan; the EEB will continue to work closely with CEFIA to develop a program utilizing an alternative approach.* Seven voted in favor and two (Ms. Dykes and Mr. Brown) voted against. Ms. Fargo-Johnson (on phone) did not vote because phone quality problems prevented her from participating in the vote. The motion passed.

#### DEEP/PURA Coordination on 2013-2015 Multi-Year Plan

- Vote on Board Thank You on DEEP letter approving the 2014 Update - Mr. Schlegel provided a brief overview of the letter from the Energy Efficiency Board he drafted supporting the 2014 Annual Update of 2013-2015 C&LM Plan, and thanking the Department of Energy and Environmental Protection for its timely Approval with Conditions of the 2014 Annual Update that it submitted to the EEB in March. Mr. Schlegel asked the Board to vote to consider whether or not to approve the letter. However, due to time constraints at today's meeting, Mr. Schlegel suggested the Board vote on the letter electronically during the week of April 14.
- NOTE: During the week of April 14, an electronic email vote was conducted, and the letter was approved. Nine members voted in favor; DEEP abstained because the letter is directed to DEEP.

#### Home Energy Solutions Topics

- Draft Report on HES Evaluation: draft results and implications - Mr. Schlegel provided a brief overview. He noted that the study showed good electric realization rates and inadequate gas rates. The Phase II evaluation will provide helpful additional information.

- HES Copay, Consideration of Change in Copay Level - Mr. Howland proposed that the copay be \$99 for all energy customers (all fuels). He said the increase should be contingent upon the release of the additional HES funding from DEEP because demand might need to be held in check if the funds are not released. Ron Araujo said he would be concerned if the copay were increased without the additional funds. Pat McDonnell said he thought there was a low risk of the funds not being released. Ms. Bergert moved that: *The EEB change the copay to \$99 for all fuels effective July 1, contingent upon DEEP release of funds by end of April 2014.* Ms. O'Conner 2nd. Nine members voted in favor. Eric Brown (phone) did not vote because phone quality problems prevented him from participating in the vote. The motion passed.

#### Opportunities for Electric and Gas EE Programs to Mitigate Energy Price Increases in CT

Mr. Schlegel provided a brief overview/introduction to this issue. He said it was a matter of concern that winter energy prices were higher. Customers will not see the new prices until the next contracting cycle. Next year prices could be at least 50% higher. Gas is determining the price of electricity. More gas for electric generation and more gas for heating are now being used. EE could help relieve pressure on customers and on the system. Ms. Bergert said we need to get into this issue, we need to engage with ISO. She said the Board has been involved on this in past times of constraint. Mr. Schlegel said that this is an ongoing issue at with the C&I programs, but we need to discuss residential programs also, and potentially retarget some programs.

#### **4) Committee Reports**

- A) Commercial & Industrial
- B) Residential
- C) Marketing
- D) Evaluation

Note: due to time constraints at the meeting, none of the committees' reports were provided.

#### **5) Other**

Matthew Gibbs was introduced to the Board. Mr. Gibbs is the new director of energy efficiency implementation at Northeast Utilities.

#### **6) The meeting adjourned at 4:00 pm**