

MEETING MINUTES

Thursday, November 12, 2015

3:30 - 5:30 PM

Conference Room B, 2nd Floor

Department of Administration, One Capitol Hill, Providence, RI

Members Present: Abigail Anthony, H. Robert Bacon, Joe Cirillo, Roberta Fagan, Marion Gold, Jennifer Hutchinson, Michael McAteer, Joe Newsome, Shigeru Osada, Chris Powell, Betsy Stubblefield Loucks, Karen Verrengia

Members Absent: Diane Williamson

Consultants Present: Mike Guerard, Scudder Parker

OER Staff Present: Ryan Crowley, Danny Musher, Rachel Sholly

Others Present: Rachel Henschel, David Jacobson, Courtney Lane, Angela Li, Jeremy Newberger, Ben Rivers, Chon Wong, Belinda Wong, Muxi Yang

1. Call to Order

Chairman Chris Powell called the meeting to order at 3:32 PM.

2. Approval of October Meeting Minutes

Chairman Powell noted that Scudder Parker's name was listed twice consecutively. Bob Bacon made a motion to approve the October meeting minutes. Joe Cirillo seconded and all approved.

3. Executive Director Report

Commissioner Marion Gold of the Office of Energy Resources (OER) reported that OER, in partnership with National Grid and Treasury, is working to develop a pipeline of efficiency projects through the Efficient Buildings Fund (EBF). The bond funding will become available in June. A kickoff meeting will be held on December 2 to educate municipalities about the Rhode Island Infrastructure Bank and the process for EBF. She also reported that progress has been made in regards to development of the commercial and residential PACE programs. Bids have been solicited for companies to run the programs on a turnkey basis. She noted that she has been serving on the selection committee. Abigail Anthony asked if there will be a two separate companies for commercial and residential PACE. Commissioner Gold said at this time, it appears that two different vendors will be selected. Chairman Powell emphasized the importance of EERM members being represented during the process of choosing vendors.

Finally, the Block Island efficiency program is underway to bring efficiency services to the Island for the first time ever. The program is being funded by Regional Greenhouse Gas Initiative (RGGI) dollars. OER is

working in partnership with National Grid and RISE engineering. The pilot program runs through this fall and is expected to see a savings of \$160,000.

4. Executive Committee Report

Chairman Powell reported that the Executive Committee agreed to roll the budget surplus into a reserve account next year to address needs as they may arise. A work plan is needed from the consultant team to set up next year's budget. The Executive Committee also discussed how to handle funding requests that come to EERMC. Legal counsel and DER each offered input. The group decided that handling such requests would be complex and would likely burden the Council, as someone would need to administer the funding requests and track them. The Executive Committee decided to table the issue for the time being and to not process any requests received. Ms. Anthony added that the issuance of grants does not seem to be within the scope of the Council.

5. Discussion on Executive Committee Membership [VOTE]

Chairman Powell said the Executive Committee reached out to the full Council to ask for a volunteer to serve on the Executive Committee. Betsy Stubblefield Loucks volunteered to serve as the third member. **Ms. Anthony made a motion that Betsy Stubblefield Loucks be appointed to the Executive Committee. The motion was seconded by Karen Verrengia and all approved.**

6. National Grid Presentation on 3rd Qtr. Report & Forecasted Year-End Results

Courtney Lane, Angela Li and Ben Rivers presented an update on the third quarter report and forecasted year end results. Chairman Powell asked if National Grid anticipated to be over or under budget. Ms. Lane said some residential programs might be slightly over budget while all others are expected to be on target. Shigeru Osada asked if and how the report may be viewed publicly. Ms. Lane said the report is filed with the Public Utilities Commission and are publicly available as part of the docket.

Joe Newsome asked if Rhode Island Housing has been cooperative in identifying areas of need. Ms. Li said that the agency has been very engaged and very active. Mike Guerard added that the multifamily program has struggled this year and it is expected that the taskforce will reconvene to resume its work in hope of regaining momentum. Ms. Li informed the council that EnergyWise has been strong for the company and it is expected that targets will be hit and under budget. Ben Rivers said the RIEEP project met its targets. Rachel Sholly from the Office of Energy Resources added that the 100 building RIEEP target has been exceeded and collectively average 20 percent in savings.

7. Review of Finance Expert Contract [VOTE]

Mr. Guerard presented the proposed contract to engage Dunsky Energy Consulting as the EERMC's finance expert. He noted that the EERMC must approve the contract before Dunsky may proceed. He stated that Dunsky is ready to move forward and plans to look at the recommendations made in its previous study to determine which should be pursued. **Mr. Newsome made a motion to approve the proposed contract to engage Dunsky Energy Consulting as the EERMC's finance expert. The motion was seconded by Mr. Cirillo and all approved.**

8. Discussion on Preparing for 2018-2020 Savings Targets Work

Mr. Guerard and Mr. Parker presented an overview of the savings targets requirements needed for submission by September 1, 2016. Chairman Powell reminded Council members that, unlike last time, the council does not have a new study to influence the council's decisions. Ms. Anthony stated that studying the energy savings targets gets to the core of what Least Cost Procurement is and the responsibility of the Council. She added that this is one of the most important tasks of the Council. Mr. Osada stated he is concerned about the amount the ratepayer is paying.

9. Revision to EERMC 2015 Budget [VOTE]

Chairman Powell stated that there is not enough money in the legal fund of the council. It is currently projected to be underfunded by over \$24,491. A vote is needed to move money from the communications fund to the legal fund. The Executive Committee determined \$30,000 may be moved from the communications fund to make up the difference. **Joe Cirillo made a motion to reallocate \$30,000 from the communications budget to the legal budget. The motion was seconded by Karen Verrengia and all approved.**

Per an Executive Committee discussion, it was proposed that the remaining uncommitted 2015 funds be moved into the attorney's client escrow account for use in 2016 at the Council's discretion. The amount is estimated to be approximately \$138,000. **Joe Cirillo made a motion to transfer the remaining uncommitted 2015 funds to the attorney's client fund. Karen Verrengia seconded and all approved.**

10. Review of Draft 2016 EERMC 2016 Budget

Mr. Guerard presented the draft 2016 budget, noting that the Council cannot vote on it until the PUC approves the 2016 Energy Efficiency Program Plan. The Council should be prepared to vote in either December or January.

11. Update on Rate Design Docket

Mr. Parker reported that there is a technical hearing next Wednesday (11/18/15). The Commissioners asked the groups in opposition to the tiered demand charge to coordinate their presentations. There was a hearing in which the motion to strike the proposed access fee for standalone generation out of the filing. The Commission decided without prejudice not to approve the motion. Ms. Anthony said it is clear that the Commissioners are reading the testimony and taking it seriously.

12. Public Comment

Danny Musher from OER reminded EERMC members that the SIRI working group is holding a public meeting on 11/19/15 at 2:00 PM at the Department of Administration. He noted that OER, National Grid, the EERMC, Distributed Generation Board and the consultant team have worked collaboratively to address system integration. All members are welcome to attend.

13. Adjournment [VOTE]

Mr. Cirillo made a motion to adjourn the meeting. Ms. Stubblefield Loucks seconded and all approved. Chairman Powell adjourned the meeting at 5:34 PM.