



## MEETING MINUTES

Thursday, June 9, 2016 | 3:30 PM - 5:30 PM

Conference Room B, 2<sup>nd</sup> Floor, Department of Administration, One Capitol Hill, Providence, RI

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**Members in Attendance:** Abigail Anthony, Bob Bacon, Joe Cirillo, Roberta Fagan, Marion Gold, Jennifer Hutchinson, Michael McAteer, Shigeru Osada, Chris Powell, Betsy Stubblefield Loucks, Karen Verrengia, Diane Williamson

**Others Present:** Eric Beaton, Kat Burnham, Sandra Charves, Tim Faulkner, Mike Guerard, Rachel Henschel, Doug Hurley, Mark Kravatz, Courtney Lane, Dino Larson, Stefan Nagy, Jeremy Newberger, Scudder Parker, Paul Ryan, Rob Sherwood, Rachel Sholly, Becca Trietch, Nick Ucci, Belinda Wong, Chon Meng Wong, Muxi Yang

### 1. Call to Order

Chairman Chris Powell called the meeting to order at 3:30 PM.

### 2. Approval of May Meeting Minutes

Joe Cirillo made a motion to approve the May meeting minutes. Karen Verrengia seconded and all approved.

### 3. Executive Director Report

Commissioner Marion Gold reported that the Senate will not approve Kat Burnham as a Council member citing that People's Power and Light does not represent small non-profits. The Legislature is wrapping up and will not be able to appoint an alternative nominee this session, so the Council will be one member shy for the next six months.

### 4. Executive Committee Report

Chairman Powell reported that the Committee discussed the outline for the evaluation, measurement and verification (EM&V) presentation which will happen at the July meeting. The Committee also discussed the savings targets process, a finance update, and Council member retreat, which will be discussed today.

### 5. Policy and Planning Issues

#### a) Update on Synapse Contract for Demand Response Consulting Services

Scudder Parker of the consultant team introduced Doug Hurley of Synapse Energy Economics, who has been contracted by the EERMC to look more deeply at demand response issues in Rhode Island. Mr. Hurley presented initial findings (*see attached*). Chairman Powell noted that the back-up generation market in the large commercial and industrial (C&I) sector is collapsing because of new regulations requiring zero emission controls. Will that impact capacity prices? Mr. Hurley said that back-up diesel generators that do not have air emissions controls will have a hard time running. At the same time, the cost of new power plants and also air emission controls are coming down. Abigail Anthony asked if Mr.

Hurley was suggesting that the state move forward with implementing DR and then think about how to use it strategically. He said that he is suggesting both, meaning that one of the key drivers should be to grow the demand response market. Ms. Verrengia asked what similar programs exist throughout the country. Mr. Hurley referenced the report in their packets – people have done time of use, home energy reports, in-home displays, direct load control, time of use pricing with and without peak time rebates, etc. Michael McAteer talked about recent relevant work by eSource and IDO and offered to send the link to Mr. Hurley. Mr. Parker added that traditionally, demand response has targeted transmission and distribution constraints. Now we are starting to realize that there are other things that could be used for a variety of purposes throughout the whole system. The challenge is how to get these things into the right hands. Mr. Osada asked what is the total peak load for each sector – what is the potential market. Mr. Hurley was not sure. Knowing this would help to develop a marketing strategy. Mr. Parker said that the key is to figure out how to get people participating and actively learning how to use the system which will result in lower costs, higher participation, and greater impacts down the road.

*b) Savings Targets Process Update*

The consultant team updated the Council on the savings targets development work including an updated schedule (*see attached*). No real results yet, but within the next week or so quite a few of the key drivers will be organized in terms of data. The consultant team along with OER met with The Energy Council of Rhode Island (TEC-RI) last week and received some useful information from the large C&I sector. Mr. Parker explained that the consultant team proposes to file the savings targets later in the fall with the filing of the updating of the Least Cost Procurement Standards. Ms. Anthony felt that the adjustment was a good idea, but that the Council should let the Public Utilities Commission (PUC) know when to expect the submission. Jennifer Hutchinson agreed. Mr. Guerard said that a near final draft is expected by November for Council feedback and a final draft will be presented for a vote at the December meeting. The consultant team will draft language to the PUC for the Executive Committee to approve for submission by the Council's attorney.

## **6. Updates on Energy Efficiency Programs and System Reliability Procurement**

*a) Presentation on Energy Codes Work*

Eric Beaton and Muxi Yang of National Grid and Becca Trietch of the Office of Energy Resources presented on recent work related to energy codes in Rhode Island, including the Codes Compliance Enhancement Initiative and stretch code development (*see attached*). Chairman Powell pointed out that it is important to understand that with each iteration of new energy codes, stretch codes must be updated to continue to go above and beyond base code. Ms. Anthony asked if buildings that go through a gut renovation have to comply with the newest code. Ms. Trietch said that it depends on how big the renovation is. Ms. Anthony wondered how much new construction is happening and, thinking about savings targets, what slice of the pie is this addressing. Mr. Guerard said that the consultant team has been looking at this and the state is currently at a record low of residential construction in the last 20 years or so. They will try to estimate increases in housing stock and then layer in more progressive codes. Mr. Parker clarified that incentives only apply to those that go above code. Ms. Anthony asked for an update on building labeling. Ms. Trietch reported that OER did not receive the Department of Energy grant for the commercial pilot, but the working groups continue to meet. Additionally, the City of Providence is moving forward with a pilot and OER is looking forward to getting useful data from that. Mr. McAteer asked how the code community has responded to the idea of stretch codes. Ms. Trietch said that there is some push-back, including concerns about cost, which is why it will be voluntary. Chairman Powell shared that at Brown University, lifecycle cost analysis is required, which brings attention to total value versus first cost.

**7. Council Business**

*a) Vote on Allocating Funds for Council Member Education "Retreat"*

Mr. Cirillo made a motion to allocate up to \$1,000 to fund the member retreat. Ms. Anthony seconded and all approved.

**8. Public Comment**

There was no public comment.

**9. Adjournment**

Mr. Cirillo made a motion to adjourn. Bob Bacon seconded and all were in favor. The meeting adjourned at 5:10 PM.