



Energy Efficiency Board Monthly Meeting

Wednesday, December 10, 2014, 1:00 – 3:30 PM
DEEP/PURA, 10 Franklin Sq., New Britain, CT (Hearing Room 2)

MINUTES¹

In Attendance

Voting Board Members: Bill Dornbos (Chair), Taren O'Connor (Vice-Chair), Joel Gordes, Ravi Gorthala, Diane Duva, Neil Beup, Eric Brown, Amanda Fargo-Johnson (phone), Mike Wertheimer

Utility Board Members: Matt Gibbs, Ron Araujo, Pat McDonnell, Chris Ehlert (phone)

Board Members not in Attendance: Michael Cassella, Shirley Bergert

Board Consultants: Jeff Schlegel, Glenn Reed, Les Tumidaj, Craig Diamond

Others: Joe Swift, Harry Godfried (phone), Pam Penna, Scott Hastie, Theresa LaVoie, Donna Wells

1. Process

Minutes

The Board considered whether to approve the minutes from the November 12, 2014 Board meeting. **Mr. Gordes moved to approve, Ms. Fargo-Johnson 2nd. All present voted yes, except for Ms. O'Connor and Mr. Gorthala who abstained. Ms. Bergert also voted yes via a proxy provided by Ms. O'Connor. Neil Beup was not present at the time of this vote. Minutes approved.**

Public Comments

- John Sima, heating and ventilating contractor. Mr. Sima asked the Board to support an increase in incentives for geothermal heat pump systems. He mentioned several environmental and economic benefits of geothermal heat pumps. He said that although the systems are getting less expensive, the installation cost is still high, and therefore greater incentives are needed.
- Guy Wanegar, heating and ventilation contractor. Mr. Wanegar also provided brief comments in support of Mr. Sima's comments. Mr. Gordes and Ms. Fargo-Johnson asked several questions to both Mr. Sima and Mr. Wanegar.

Executive Secretary's Report

- Update on Tri-State/Policy Working Group Dispute Resolution Committee. Mr. Diamond said that the Committee had received responses to questions from CL&P and Tri-State, and additional information as well. He said that the Committee would be having a conference call next week to discuss next steps in the process.

¹ Materials for the meeting can be accessed in Box.net: <https://app.box.com/s/flqej5fiqu9hkvrnfh46>

- Energy & Technology Committee Briefing. Mr. Diamond noted that he was trying to reschedule the briefing that was originally scheduled for December 11 but was postponed due to significant changes in the leadership of the E&T Committee.
- 2015 EEB Meeting Calendar. Mr. Diamond reviewed a draft 2015 EEB and Committee meeting schedule. The Board decided to have the Public Input Session in April, and the Board Retreat in May (both one month earlier than in 2014). The Board also recommended that two extra meetings be scheduled (September and October) for discussion of the 2016-2018 C&LM Plan.

2. Programs and Planning

Financial Update

Mr. Gibbs and Mr. McDonnell provided very brief financial updates for the month of November.

Winter Electricity Price Increases and Energy Efficiency

Mr. McDonnell and Mr. Gibbs provided a joint company presentation on this topic. Mr. Brown said that the DEEP or another party should develop an accounting of rate increases (the components of rates increases, who is impacted by increases, etc.). He noted that standard service rates are going up 25% in January. Mr. McDonnell said that there is an opportunity to make improvements to EnergizeCT to make winter price marketing more visible. He mentioned that UI has a backlog of about 300 customers for HES-IE, but the DEEP re-allocation of RGGI funds will help address that backlog. Mr. McDonnell and Mr. Gibbs discussed several residential efforts in regard to winter pricing. Mr. Schlegel said that the Companies needed to assure that all customer demand is met during the winter, even if it has budget implications later in 2015. In regard to C&I, Mr. Gibbs said that not very much new is required since the appropriate programs are mostly already in place. He said that one exception to that is small business; CL&P is doing increased outreach to small businesses.

2015 Plan Update

Mr. Schlegel noted that the Board Consultants were recommending the draft Plan Update to the Board. He said that the Board will be able to vote today on all sections of the plan, except for the Public Input summary, which still needs to be edited somewhat before it can be voted on by the Board. In addition, Mr. Schlegel said that a Board letter supporting the Plan Update would need to be written. He said that the Public Input summary and the Board letter would need to be voted on electronically by the Board and then filed with DEEP, either with the Plan Update or afterwards. Mr. Gibbs and Mr. McDonnell requested that DEEP provide its feedback on all parts of the Plan Update at the same time (preferably in January) so that the Companies can address all issues together in time for the Plan Update filing deadline of February 28. Mr. Schlegel asked for Board feedback on the Plan Text and any outstanding program issues. Mr. Dornbos said that he thought the draft Plan Update was a strong document, and would allow the programs to meet customer demand.

The Companies provided a presentation on the draft Plan Update. They covered the following topics:

- Finalization schedule - the current Draft Plan will be filed with DEEP by January 5, and the final revised Plan will be filed by February 28.
- Savings and Benefits - it was noted that under the 2015 Plan Update, the programs will result in \$715 million in total benefits, with \$490 million of net benefits, and a return of \$2.49 per \$1.00 of program funds spent. Mr. Dornbos said that the Board cover letter would be a good opportunity to communicate/explain savings levels to key stakeholders.
- Winter Peak initiatives - several winter peak efforts are included in the 2015 Plan Update.
- Residential, C&I, and Education/Outreach programs - several programs for the 2015 Plan Update were highlighted.
- Marketing Plan - the key elements of the 2015 Marketing Plan were highlighted, including the Companies' Customer Engagement Platforms (CEPs). Mr. Schlegel said that the Board Consultants are recommending the Companies' proposal to move forward with two parallel CEP systems, but with a commitment to maximize efficiencies.
- Planning and Evaluation - key elements were highlighted, including the 2015 Program Savings Document (PSD) and the Plan Update's Evaluation chapter. Mr. Brown suggested that the CEEF would benefit from good communications on DRIPE benefits to help address electricity price increase concerns.

Mr. Schlegel then reviewed the Plan Update budget (Table As, Table Cs). Mr. Gorthala asked about solar thermal incentives. He said they would help some of the manufacturers in CT. Mr. Gibbs commented that there were some changes in the Plan Update based on how market demand has changed. Mr. Schlegel then reviewed the energy savings and goals (Table Bs). Mr. Schlegel provided a brief presentation on 2013-2015 electric and gas savings as a percent of retail sales. **Mr. Gordes moved to approve the draft 2015 Plan Update as proposed (except for the Public Input document which will be voted on by the Board separately). Mr. Gorthala 2nd. All present voted in favor, except for Ms. Duva who abstained because the Plan will be submitted to DEEP for approval. In addition, Ms. Bergert and Mr. Wertheimer (not present for this vote) voted in favor via a proxy provided by Ms. O'Connor. The Plan Update was approved for filing with DEEP.**

Changes to HES Co-Pay

Mr. Araujo said that the Companies had initially proposed a two-tiered pricing structure \$99 (for homes heated with gas or electricity) and \$149 (for homes heated with oil or propane), but they had received feedback from some HES vendors that having different co-pays could be confusing to some customers and potentially discourage some customers from moving forward. He said that the Companies were going to re-consider their original proposal and explore alternatives.

3. Committee Reports

- Commercial & Industrial - Mr. Tumidaj provided the update. He said that at the last C&I meeting, much time was spent discussing the Plan Update. He mentioned that the Institute for Sustainable Energy would provide an annual update to the Board in early 2015.

- Residential - Mr. Reed provided the update. He mentioned presentations from the Companies on Upstream Incentives and the Enervee pilot, which will run in December and January. He said that CT was the first state to implement an Enervee platform statewide.
- Evaluation - Mr. Dornbos provided the update. He said that the Committee needed to appoint a Chair. He also noted that the Evaluation Roadmap was almost completed. Mr. Brown asked if the revised Roadmap needed to be approved by the Board. Ms. Duva said that the Board does not need to approve the Roadmap, but it should be presented to the Board and comments should be requested.
- Marketing - no update was provided.
- Joint EEB/CT Green Bank Board - Mr. Schlegel provided the update. He mentioned that the next quarterly Joint Committee meeting would be in January. He said that the Board needed to discuss the roles of the EEB voting members to the Joint Committee (Mr. Brown and Ms. Fargo-Johnson) probably at the January or February Board meeting.

The meeting adjourned at 3:30 pm.