

Energy Efficiency Board Commercial & Industrial Committee Meeting

Tuesday May 10, 2022

1:00 - 3:30 PM

Meeting Materials in Box.com: https://app.box.com/s/3ny72u1frsycijuc52pwlvp143viu2b7

Meeting Recording

Minutes

1. Roll Call

<u>Board members:</u> Amanda Fargo-Johnson, Joel Kopylec, Ron Araujo, Kate Donatelli (DEEP), Anthony Kosior, Donald Mauritz, Anne-Marie Knight

<u>Other attendees:</u> Daniel Robertson, George Lawrence, Jordan Schellens, Emily Rice, Melanie Franco, Philip Mosenthal, Stacy Sherwood, Joseph Roy, Kimberly Cullinane, Rebecca Dube, Colleen Morrison, Alex Sopelak, Dave McIntosh, Peter Ludwig

2. C&I Metrics report for Q1 2022 - Companies

Ms. Jordan Schellens, Eversource, and Mr. Joel Kopylec, Avangrid, provided a Quarterly Program Report that included C&I metrics, secondary metrics, and savings information, as directed by DEEP's 2020 CLM Plan Compliance Order #18. A copy of their presentation can be found in the <u>materials folder</u>. The Companies shared insight on progress, whether they are on track or not across the C&I portfolio, and why. The Companies also shared subsegment changes for two in the Appendix.

Referring to Slide 3 which includes a table of metrics and results by C&I Program, Mr. George Lawrence asked if the Companies were hiring additional Strategic Energy Management (SEM) contractors and Ms. Schellens indicated that the Companies go out for bid every three years for new contractors. Mr. Joel Kopylec discussed the SEM program in more detail and noted the there is one contractor currently, but more could add value.

Regarding the Retrofit Advanced Lighting Comparison of electric savings for each Company (Slide 6), Mr. George Lawrence asked if Mid-stream was included. Ms. Schellens indicated that Mid-steam was tracked separately and those results on are Slide 7. Ms. Schellens noted that Mid-stream is only categorized between controls and no controls.

Referring to Annual Electric Savings by Segment (Slide 10), Mr. George Lawrence asked where wastewater plants were accounted for. Ms. Schellens noted that water and wastewater facilities were in Manufacturing.

Regarding subsegment changes, Mr. Lawrence asked for clarification on "Rental". Ms. Schellens noted that it includes rental properties and that the segments and subsegments are defined and consistent for both Companies.

3. Additional C&I heat pump modeling – Consultants

Mr. George Lawrence, Technical Consultant, presented on the results of the Technical Consultants C&I heat pump analysis. Mr. Lawrence's presentation, which can be found in the <u>materials folder</u>, included a recap of the analysis results, additional technologies and scenarios to consider with respect to the new Connecticut Cost-Effectiveness Test, and an overview of how results are reached.

Ms. Schellens asked if the results have been shared with Mr. Ghani Ramdani, Eversource, or Mr. Glen Eigo, Avangrid. Ms. Schellens suggested sending these results to Mr. Ramdani and Mr. Eigo so they can review. Mr. Lawrence agreed to forward the results along.

Regarding DEEP's Cost-Effectiveness Test recommendations in the Draft Determination and Technical Consultants' recommendations (Slide 4), Ms. Kate Donatelli shared that DEEP provided an explanation of these changes and shared a <u>link</u> to that explanation.

Mr. Anthony Kosior, Board Member, shared a heat pump case study from the Yale Center for British Art. Mr. Kosior's presentation including heating and chilling potential, the project business case and scope, and results so far. Mr. Kosior needs to review the presentation before he can share it, but agreed to provide a copy, possibly redacted, to the Executive Secretary, which will be shared to the <u>materials folder</u>. Mr. Lawrence and Mr. Griff Keating discussed the capability of the Technical Consultant modeling tool with respect to similar projects like incorporating a ground source heat pump with a heat recovery chiller.

Mr. Lawrence suggested the Committee put together a wish list for further analysis, for example, an electric chiller with heat recovery. Mr. Lawrence noted that the Committee should consider probability and anticipated volume of project types to minimize modeling costs. Mr. Keating suggested that acquiring project data to conduct a preliminary review of cost-effectiveness prior to modeling would be a good first step. Mr. Lawrence asked the Committee for project types, suggesting looking into ground source heat pumps (GSHP) for retrofits or a market opportunity if an existing boiler is end-of-life. Mr. Kosior said it is a viable option.

Ms. Amanda Fargo-Johnson asked if Mr. Lawrence was suggesting a higher incentive beyond a standard rebate for a geothermal measure. Mr. Lawrence discussed that the programs now encourage one-for-one replacement, but the rebates are not as straightforward when the customer wants to install GSHP due to the baseline being a less efficient heat pump (as opposed to a boiler or furnace). Ms. Schellens discussed the discrepancy between the cost-effectiveness test using the prescribed baseline and realized savings from the actual baseline; the Committee acknowledged that actual project savings can be under quantified given this.

Ms. Fargo-Johnson asked for clarification on what Mr. Lawrence was suggesting. Mr. Lawrence, referencing the Draft Determination, shared that fuel switching can be accounted for. Mr. Lawrence suggested that the Companies count the MMBtu savings based on existing equipment (such as a boiler or furnace) as compared to a baseline heat pump in certain scenarios. Ms. Fargo-Johnson suggested that every bit helps given the cost of these types of projects. Mr. Ron Araujo agreed that if the boiler or furnace were at the end of useful life, a baseline heat pump would be used but if there was still life left in the boiler or furnace the retrofit option could be used. Mr. Araujo noted that measure life is defined in the Program Savings Document (PSD).

The Committee discussed the Cost-Effectiveness Testing and its impact, depending on what is used for baseline, on measure incentives. The Committee and Companies also discussed the discrepancy between calculated savings that assume a prescribed baseline versus realized

savings from actual existing equipment. Ms. Schellens shared that the Evaluation Team is investigating this and plan to release a report in 2023 or earlier (X1939)

Mr. Daniel Robertson said that useful life is a financial instrument and suggesting considering other life measures that are more realistic.

Mr. Lawrence summarized the additional heat pump modeling options, noting that he and Mr. Keating would work together to determine what the modeling software can do. The Consultants will then run the list by Mr. Glen Eigo, Avangrid, and Mr. Ghani Ramdani, Eversource. Electric chillers with heat recovery, GSHP retrofits or market opportunities with full displacement, etc. were scenarios discussed. Mr. Lawrence noted that a third-party may be necessary for some modeling, but Ms. Schellens suggested working with Mr. Ramdani and Mr. Eigo first.

4. Small business and microbusiness program/pilot overview – Companies

Ms. Alex Sopelak provided an overview of program changes in small business, the microbusiness program, and what changes occurred when the microbusiness pilot transitioned to a program. Ms. Sopelak's presentation also included a review of the impact of delivered fuels and what measures are impacted by the incorporation of delivered fuel incentives. Ms. Sopelak provided a recap of the SEM RFP process and an overview of the price increase. A copy of the presentation can be found in the <u>materials folder</u>.

Regarding the microbusiness program usage threshold for eligibility which is defined differently for Eversource customers and Avangrid customers, Ms. Amanda Fargo-Johnson asked who is getting left out. Ms. Sopelak reviewed the caps and indicated that customers were not getting left out.

Regarding Slide 3, Mr. Lawrence asked if Air Sealing was included. Ms. Sopelak noted that Air Sealing and Duct Sealing are eligible though they are not listed on the slide.

5. <u>Code trainings update – Companies</u>

a. From the Plan: "Code Trainings. The Companies will offer technical trainings and educational outreach to the C&I design and build community to make them aware of the IECC 2021 and Connecticut-specific amendments. The Companies plan to conduct multiple code trainings throughout the 2022-2024 term to prepare architects, builders, engineers, code officials, and contractors for the new building code."

Because the C&I building code will be changing later this year, Mr. Joel Kopylec, Avangrid, provided a presentation that included an overview of codes and standards, why building codes and standards are important, compliance, Connecticut's adoption plan, a summary of upcoming changes to the code, and information on codes and standards training the Companies will be offering.

Mr. Lawrence noted that Connecticut is the first in the region to adopt the International Energy Conservation Code (IECC) 2021, and there is a challenge training out-of-state contractors operating under previous versions of the code. Mr. Kopylec said this is something the Companies can speak with the vendor about. Kimberly Cullinane pointed out that Massachusetts will probably adopt IECC 2021 soon as well.

6. <u>C&I Committee planning for June 2022</u>

- a. June EEB focus area topic: program updates for the C&I and Residential Programs
- b. 2023 Plan Update priorities
- c. What else?

Mr. Lawrence led the Committee in a discussion on the June Agenda. Mr. Lawrence said if there were any questions regarding item a. above, to contact him or Ms. Stacy Sherwood. Given the Plan Update that will be due November 1, Mr. Lawrence suggested discussing item b. above and offered to itemize a list of changes that stakeholders would like to see included in the Plan Update. Anyone can provide changes they would like to see to Mr. Lawrence in the next few weeks.

Mr. Lawrence said he will follow up with the Committee on the additional heat pump modeling discussed earlier in the meeting.

Mr. Lawrence asked if there have been changes to the Commercial New Construction Program? Ms. Kimberly Cullinane indicated there have not been since the 2020 pathways were issued and provided an overview of those pathways. Mr. Lawrence and Ms. Cullinane discussed the New Construction pathways. Mr. Lawrence asked the Committee if a primer on New Construction, expanding upon impacts from IECC changes, would be a good topic for June. Ms. Cullinane agreed that the Companies can talk about this, noting that they are still working to understand the changes from IECC 2015 to IECC 2021 and the impacts on the programs. Ms. Cullinane said more time would be needed to understand the program changes and speak to that.

Ms. Jordan Schellens offered to help with the upcoming EV Focus Area Topic and Mr. Lawrence said he would follow-up via email with Ms. Schellens and Mr. Joel Kopylec. Ms. Schellens said she would be available early next week.

7. Adjourn

The meeting was adjourned.