

**BEFORE THE
STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

**IN: REVIEW OF RHODE ISLAND)
ENERGY'S ANNUAL ENERGY)
EFFICIENCY PLAN)
FOR 2023)**

DOCKET NO. 22-33-EE

JOINT PRE-FILED DIRECT TESTIMONY
OF
SAMUEL C. ROSS AND CRAIG K. JOHNSON

SUBMITTED ON BEHALF OF
THE RHODE ISLAND
ENERGY EFFICIENCY AND RESOURCE MANAGEMENT COUNCIL

OCTOBER 26, 2022

1 **I. INTRODUCTION**

2

3 **SAMUEL C. ROSS**

4 **Q. Please state your name and business address.**

5 A. I am Samuel Ross. My business address is: Optimal Energy, 10600 Route 116,
6 Hinesburg, VT 05461.

7 **Q. On whose behalf are you testifying?**

8 A. I am testifying on behalf of the Rhode Island Energy Efficiency and Resource
9 Management Council (EERMC).

10 **Q: Please summarize your work with the EERMC relevant to your role**
11 **providing testimony in this docket.**

12 A: I am a Senior Consultant at Optimal Energy, the prime contractor for the
13 EERMC's Consultant Team. I have been among the lead consultants on the
14 Consultant Team for the past five years, and I have represented the EERMC in
15 past dockets related to energy efficiency plans. I have worked in close
16 collaboration with the EERMC throughout the development of its proposed
17 budget for 2023.

18

19 **Q: What is the purpose of your Testimony in this proceeding?**

20 A: The purpose of my testimony is to describe the EERMC's process for finalizing
21 its 2022 budget following the PUC's rulings on Docket 5189 and to describe its
22 process for developing its proposed budget for 2023.

23 **CRAIG K. JOHNSON**

24 **Q. Please state your name and business address.**

25 A. I am Craig Johnson. My business address is: Optimal Energy, 10600 Route 116,
26 Hinesburg, VT 05461.

27 **Q. On whose behalf are you testifying?**

28 A. I am testifying on behalf of the Rhode Island EERMC.

1 **Q: Please summarize your work with the EERMC relevant to your role**
2 **providing testimony in this docket.**

3 A: I am a Consultant at Optimal Energy, the prime contractor for the EERMC's
4 Consultant Team. I have been a member of the Consultant Team since 2014, and I
5 have represented the EERMC in past dockets related to energy efficiency plans. I
6 have worked in close collaboration with the EERMC throughout the development
7 of its proposed budget for 2023.

8

9 **Q: What is the purpose of your Testimony in this proceeding?**

10 A: The purpose of my testimony is to describe the EERMC's process for finalizing
11 its 2022 budget following the PUC's rulings on Docket 5189 and to describe its
12 process for developing its proposed budget for 2023.

13

14 **II. EERMC BUDGET DEVELOPMENT**

15

16 **Q: Can you please provide a description of the Energy Efficiency and Resource**
17 **Management Council's (EERMC or "the Council") engagement in finalizing**
18 **its 2022 budget following the Public Utilities Commission's (PUC) rulings on**
19 **Docket 5189?**

20 A: The Council began work to finalize its 2022 budget immediately following the
21 rulings that were verbally issued at the PUC's Open Meetings held on January
22 25th and January 28th in Docket 5189. The Council's Consultant Team (C-Team)
23 prepared a presentation (Exhibit 1) and a memo (Exhibit 2) that highlighted
24 outcomes from the PUC's rulings. Among other items, the presentation and memo
25 included reference to the C-Team's revised scope of work (SOW) and budget
26 (Exhibit 3) that was updated to align with the PUC's approved budget allocation¹.
27 In the revised SOW, the C-Team proposed to reduce its budget to \$819,923. The
28 Council began discussion of the C-Team's revised SOW and budget at its

¹ See slide 12 in Exhibit 1, page 4 in Exhibit 2, and the budget table on page 14 of Exhibit 3

1 February meeting (Exhibit 4) but did not take a vote given that the Council did
2 not have a quorum².

3
4 The Council continued this discussion at its March meeting (Exhibit 5)³.
5 Following that discussion, the C-Team provided an updated SOW and budget
6 (Exhibit 7) for the Council to consider at its April meeting. In this version of the
7 SOW, the C-Team provided a revised work plan and proposed to reduce its
8 budget to \$659,529⁴. The Council then reviewed, discussed, and approved the C-
9 Team's revised SOW and budget at its April meeting (Exhibit 8)⁵. Following its
10 approval of the C-Team's SOW and budget, the Council moved on to its review
11 and discussion of the Council's 2022 budget (Exhibit 9). The Council approved
12 the 2022 budget presented in Exhibit 9 with two modifications which involved
13 allocating an additional \$20,000 to legal services and an additional \$2,000 to
14 annual reporting printing, both from the unallocated funds⁶. To ensure that
15 Council members have an up-to-date understanding of the current year's budget,
16 the Council's final approved budget for 2022 has been included, along with year-
17 to-date spending, as materials at each month's Council meeting since May 2022
18 (Exhibit 10)⁷.

19
20 Following the Council's final approved budget for 2022, in which it had estimated
21 a cost of \$22,500 for the 2022 Public Forum and Lecture Series, the Council
22 received a proposal from a qualified vendor that exceeded the estimated budget by
23 \$2,524.14. At its August meeting (Exhibit 11), the Council approved a
24 reallocation of \$2,524.14 of unallocated Public Education funds to the budget for

² See Sections 5b and 6a in Exhibit 4

³ See Sections 7a and 7c in Exhibit 5

⁴ See the budget table on page 11 of Exhibit 7

⁵ See Section 6a in Exhibit 8

⁶ See Section 6b in Exhibit 8

⁷ The Council had two meetings in September (9/22 and 9/29). Because the budget tracker was shared at the 9/22 meeting and no updates were made in the following week, the budget tracker was not included again at the 9/29 meeting.

1 the 2022 Public Forum and Lecture Series so that it could accommodate the
2 selected bidder's proposed budget⁸.

3
4 **Q: Can you please provide a description of the Council's process for developing**
5 **its 2023 budget?**

6 **A:** The Council began its process for developing its 2023 budget immediately
7 following the rulings that were verbally issued at the PUC's Open Meetings held
8 on January 25th and January 28th in Docket 5189. In preparing for the Council's
9 February meeting, the C-Team prepared a presentation (Exhibit 1) and a memo
10 (Exhibit 2) that highlighted outcomes from the PUC's rulings. Among other
11 items, the presentation and memo included recommendations for the Council to
12 consider in developing their 2023 budget. The first recommendation was a
13 proposal to develop an accelerated budget planning process to ensure that more
14 clarity could be offered during future energy efficiency plan dockets regarding
15 proposed EERMC budget allocations⁹. The second recommendation was for the
16 Council to commit to requesting no more funds than they anticipated would be
17 needed to support all reasonable Council responsibilities and activities in future
18 budgets¹⁰. These two recommendations represent the starting point for the
19 Council's consideration and development of its 2023 budget.

20
21 The Council continued its conversation regarding the 2023 budget at its March
22 meeting where it reviewed and discussed an initial proposal for the 2023 budget
23 planning timeline (Exhibit 6). Based on feedback provided at the March meeting¹¹
24 a revised 2023 budget planning timeline (Exhibit 12) was prepared for and
25 reviewed by the EERMC's Executive Committee at their April meeting (Exhibit
26 13)¹².

27

⁸ See Section 6b in Exhibit 11

⁹ See slide 16 in Exhibit 1 and page 5 in Exhibit 2

¹⁰ See slide 16 in Exhibit 1 and page 5 in Exhibit 2

¹¹ See Section 7c in Exhibit 5

¹² See Section 5b in Exhibit 13

1 With the 2023 budget planning timeline set, the Council began initial discussions
2 on setting a reasonable 2023 budget at its May meeting. The initial draft of the
3 2023 budget (Exhibit 14) used budget categories and amounts that were included
4 in the 2022 Council budget as a starting point. The Council also briefly discussed
5 potential new budget categories at this time (Exhibit 15)¹³. The Council continued
6 its discussion of the 2023 budget at its June meeting (Exhibit 16)¹⁴, where the C-
7 Team presented on budget considerations (Exhibit 17). These new or expanded
8 areas were compiled by the C-Team during Council meeting discussions and
9 included input provided to the C-Team by individual Council members. The
10 considerations were oversight of a third-party implementation request for
11 proposals (RFP), the incremental cost of consulting services in a three-year plan
12 year, enhanced public education, and a market-based solutions study.

13
14 Based on feedback received at the June Council meeting, the C-Team and the
15 Office of Energy Resources (OER) worked to prepare more detailed descriptions
16 and cost estimates for new or expanded budget areas for the Council's
17 consideration in setting their 2023 budget. At the Council's July meeting, the
18 Council reviewed an updated 2023 budget (Exhibit 18). During this meeting,
19 OER began with a presentation on the budget setting process (Exhibit 19) which
20 was followed by a discussion led by the C-Team on each of the proposed new or
21 expanded allocations. This discussion was guided by a memo that the C-Team
22 and the Council's legal counsel prepared (Exhibit 20), which included a detailed
23 description of what each allocation entailed, how costs were estimated, and a
24 summary of why each item was within the Council's statutory authority. The list
25 of potential allocations in the memo included a market-based solutions study, a
26 natural gas pruning study, an energy efficiency and climate public awareness
27 campaign, EERMC brand and communications development, support for a third-
28 party implementation request for information (RFI), and the incremental cost of
29 consulting services in a three-year plan year. Following discussion, the Council

¹³ See Section 6c in Exhibit 15

¹⁴ See Section 6c in Exhibit 16

1 decided it was reasonable to table the natural gas pruning study and the support
2 for a third-party implementation RFI for consideration as future budget items due,
3 respectively, to the initiation of the PUC Docket 22-01-NG, and the removal of
4 the proposed 2023 State of Rhode Island Budget allocation for third-party
5 implementation of energy efficiency programs from the final 2023 State Budget.
6 The Council then voted on a final 2023 budget that it felt was reasonable for OER
7 to submit to Rhode Island Energy to include its 2023 energy efficiency plan filing
8 (Exhibit 21)¹⁵.

9
10 The final approved Council budget – which reflects the Council’s vote at the July
11 Council meeting – is available for review in Exhibit 22.

12
13 **Q: Can you please explain how the Council budgeted for items which may span**
14 **calendar years in its 2023 proposed budget?**

15 **A:** The Council was unclear regarding the mechanism, if any, for ensuring
16 contractual obligations undertaken in one calendar year could be met if all or part
17 of the work was invoiced in the following calendar year. Due to the uncertainty
18 regarding how this year-to-year transition would be managed, the Council took
19 the approach that ensured it would be able to meet any contractual obligations in
20 2023 for work that was planned for but not yet underway in 2022. This resulted in
21 allocating the same dollar amount for 2023 as for 2022. The Council through its
22 legal counsel has worked with the PUC staff to better understand the process for
23 managing budget items which may span two calendar years.

24
25 **Q: What additional steps did the Council take in developing its proposed budget**
26 **for 2023?**

27 **A:** The Council received a guidance document from the PUC on October 18, 2022
28 that included requests for the Council to consider when developing its pre-file
29 testimony in support of its 2023 budget proposal. The following questions and

¹⁵ See section 6d in Exhibit 21

1 answers are provided in the order in which they were presented in the
2 aforementioned guidance document.

3

4 **Q: Can the EERMC please provide a table that includes budget allocations for**
5 **2022, year-to-date spend, year-end forecasted spend, variances between year-**
6 **end forecast and planned budget, and proposed budgets for 2023?**

7 **A:** Please refer to Exhibit 23.

8

9 **Q: Can the EERMC please describe any variances between year-end forecast**
10 **and planned budget for 2022 that are greater than plus or minus 10%.**

11 **A:** There are five items in year-end forecast of the 2022 budget that have variances of
12 greater than plus or minus 10% from the allocated amount. These are described
13 below.

14 1. Annual Report Printing & Distribution: This item had an allocated budget of
15 \$3,000. At the time of drafting this pre-file testimony the Council has spent
16 \$1,695 (56.5%) and does not anticipate any additional spending for this
17 budget item. As a result, the Council projects that this item will have a
18 variance of negative 43.5% compared to the 2022 budget.

19 2. Public Forum & Lecture Series (2022): This item had an allocated budget of
20 \$25,024.14. At the time of drafting this pre-file testimony the Council has
21 spent \$0. The Council has selected a vendor to conduct this work, however
22 contract finalization is taking longer than anticipated and the Council is
23 expecting this work to occur in early 2023 instead of late 2022 as had been the
24 case historically. As a result, the Council does not anticipate making any
25 payments for this work through the balance of 2022 which will result in a
26 variance of negative 100% compared to the 2022 budget. For this reason, the
27 Council has included a budget item of \$22,500 in its 2023 budget¹⁶.

¹⁶ Please note that the 2023 budget item reflects the original budgeted amount for 2022 (\$22,500), not the amount that is included in the 2022 budget (\$25,024.14). This is because the Council voted on its 2023 budget in July which occurred a month before the Council voted to move \$2,524.14 from the unallocated portion of the public education budget item to the public forum and lecture series for 2022. Please refer to the first question in this pre-file testimony for an explanation of the Council's decision to reallocate

- 1 3. Unallocated Public Education: The public education fund had a total budget of
2 \$100,000 for 2022, with \$27,475.86 unallocated at the time of drafting this
3 pre-file testimony. The Council does not anticipate any of this being allocated
4 during the remainder of the year. As a result, the Council projects that this
5 item will have a variance of negative 100% compared to the 2022 budget.
- 6 4. Potential Study Data Refresh: This item had an allocated budget of \$45,000
7 for 2022. At the time of drafting this pre-file testimony the Council has spent
8 \$0. The Council is currently in the process of reviewing responses to an RFP
9 from prospective vendors. At this time the Council does not anticipate making
10 any payments for this work through the balance of 2022 which will result in a
11 variance of negative 100% compared to the 2022 budget. For this reason, the
12 Council has included a budget item of \$45,000 in its 2023 budget.
- 13 5. General Unallocated: The Council's total budget was set at \$1,025,763 for
14 2022, \$141,984 of which was unallocated at the time of drafting this pre-file
15 testimony. The Council does not anticipate any of this being allocated during
16 the remainder of the year. As a result, the Council projects that this item will
17 have a variance of negative 100% compared to the 2022 budget.

18

19 **Q: Can the EERMC please describe any increases in the 2023 proposed budget**
20 **compared to the 2022 budget allocation?**

21 **A:** The Council's proposed budget for 2023 includes two items that result in an
22 increase in allocated funding compared to 2022. These are described below.

- 23 1. The Council proposes to increase the budget for consultant services by
24 \$57,496 from \$659,529 to \$717,025. Please refer to page 12 of Exhibit 20 for
25 more detail on the justification and estimate of cost increase.
- 26 2. The Council proposes to increase the budget for Energy Expo sponsorship
27 from \$0 to \$40,000. The Council had a budget of \$0 for sponsoring the 2022
28 Energy Expo because it had paid for a sponsorship in 2020 which was rolled
29 over and honored following the cancellation of the 2020 and 2021 Energy

\$2,524.14. Should the Council require additional budget beyond the \$22,500 included in the 2023 budget, it would return to the PUC to request additional funding.

1 Expo events due to COVID-19. The \$40,000 being proposed in the 2023
2 budget reflects the historical level at which the Council has sponsored this
3 event.

4
5 **Q: Can the EERMC please describe any decreases in the 2023 proposed budget**
6 **compared to the 2022 budget allocation?**

7 **A:** The Council's proposed budget for 2023 includes three items that result in a
8 decrease in allocated funding compared to 2022. These are described below.

- 9 1. The Council proposes to decrease the budget for the Public Forum and
10 Lecture Series (2022) by \$2,524.14 from \$25,024.14 to \$22,500. Please refer
11 to footnote 15 herein for more detail.
- 12 2. The Council proposes to decrease the unallocated portion of the public
13 education item from \$27,475.86 to \$0. This removal is the result of the
14 Council proposing a fully allocated budget.
- 15 3. The Council proposes to decrease the unallocated portion of the general
16 budget from \$141,984 to \$0. This removal is the result of the Council
17 proposing a fully allocated budget.

18
19 **Q: Can the EERMC please describe any new items contained in the 2023**
20 **proposed budget, including how the EERMC calculated the estimated**
21 **expense associated with each item?**

22 **A:** The Council's proposed budget for 2023 includes three new items. These items
23 include an energy efficiency and climate awareness campaign, a market-based
24 solutions study, and council branding and communications development.
25 Combined, these items account for \$135,000 in new proposed budget allocations.
26 Please refer to Exhibit 20 for more detail on what these items would entail, how
27 the Council estimated proposed costs, and the statutory authority for each
28 allocation.

29
30 **Q: Can the EERMC provide documentation or explanations regarding its**
31 **forecasted spend through year-end 2022?**

- 1 **A:** There are six items for which the Council has forecasted non-zero remaining
2 spend in 2022.
- 3 1. Consultant Services: Assumes that average monthly spend through September
4 will continue for the remaining three months of 2022.
- 5 2. Legal Counsel: Assumes a similar level of spending for the final three months
6 of 2022 as was billed to the Council for services rendered in the final three
7 months of 2021.
- 8 3. Council Travel and EERMC Councilor Education and Advancement:
9 Assumes the remaining budget will be utilized on a Council learning,
10 education and advancement discussion session which is scheduled for
11 November 28, 2022.
- 12 4. Farm Energy Fellow: Assumes that invoicing for the full amount will occur in
13 December as has historically been the case.
- 14 5. K-12 Energy Education (2022): The Council is in the process of finalizing a
15 contract with a selected vendor to conduct this work and currently expects for
16 that work to be completed by the end of the year, resulting in a forecast of
17 fully spending the allocated budget.
- 18 6. EERMC Website: Assumes that invoicing for the full amount will occur in Q4
19 as has historically been the case.

20

21 **Q: Please summarize the testimony you have provided.**

22 **A:** The purpose of our testimony was to describe the EERMC’s process for finalizing
23 its 2022 budget following the PUC’s rulings on Docket 5189 and to describe its
24 process for developing its proposed budget for 2023. This testimony also
25 describes the Council’s approach to budgeting for items which may span calendar
26 years in its 2023 proposed budget. Our testimony concludes with responses to
27 specific prompts which were included in a guidance document provided by the
28 PUC.

29

30 **Q: Does this conclude your testimony regarding the EERMC’s budget?**

31 **A:** It does.

Exhibit List

1. 2022 EE Plan PUC Docket Rulings Update and Next Steps Presentation
2. 2022 EE Plan PUC Docket Rulings Update and Next Steps Memo
3. EERMC Consultant Team 2022 SOW and Budget – Revised February 17, 2022
4. EERMC Full Council Meeting Minutes – February 27, 2022
5. EERMC Full Council Meeting Minutes – March 17, 2022
6. Initial Proposal for 2023 Budget Planning Timeline
7. EERMC Consultant Team 2022 SOW and Budget – Revised April 27, 2022
8. EERMC Full Council Meeting Minutes – April 27, 2022
9. EERMC 2022 Budget – Proposed April 27, 2022
10. EERMC 2022 Budget Tracker
11. EERMC Full Council Meeting Minutes – August 18, 2022
12. Revised Proposal for 2023 Budget Planning Timeline
13. EERMC Executive Committee Meeting Minutes – April 27, 2022
14. First Draft EERMC 2023 Budget – Proposed May 19, 2022
15. EERMC Full Council Meeting Minutes – May 19, 2022
16. EERMC Full Council Meeting Minutes – June 16, 2022
17. 2023 EERMC Budget Considerations Presentation
18. Second Draft EERMC 2023 Budget – Proposed July 28, 2022
19. EERMC 2023 Budget Setting Process Presentation
20. Council Budget Allocation Options with Descriptions and Cost Estimates Memo
21. EERMC Full Council Meeting Minutes – July 28, 2022
22. Final EERMC 2023 Budget – Approved July 28, 2022
23. EERMC Budget Table with 2022 and 2023 Budget Detail

EXHIBIT 1



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

2022 EE Plan PUC Docket Rulings Update & Next Steps

Presented By: EERMC C-Team

Date: February 17, 2022





Outline

Summary of Proceedings and Rulings to Date

PUC Rulings for the EERMC

Consultant Team Actions Following PUC Rulings

Council Actions to Consider Following PUC Rulings

Council Discussion



SUMMARY OF PROCEEDINGS AND RULINGS





Summary of PUC Proceedings to Date

September

- 8th: Grid issues final draft 2022 EE Plan
- 22nd: PUC directs Grid to file plan with RI Grows CHP funding reallocated (Provisional Plan)
- 23rd: Council votes not to endorse EE Plan

October

- 1st: Grid files Original Plan
- 8th: Grid files Provisional Plan
- 15th: C-team files Summary Report of EERMC vote & reasons why; Cost-Effectiveness Report
- Discovery period begins

November

- 17th: C-team files EERMC pre-filed testimony
- Discovery period continues

December

- 6th, 8th: 2022 EE Plan hearings begin
- 9th: Council votes to prefer provisional plan
- Discovery period continues

January

- 7th: Grid files corrections to Provisional Plan
- 10th, 11th, 13th: 2022 EE Plan hearings conclude
- 25th, 28th: PUC Open Meetings where rulings were issued***



Summary of PUC Rulings to Date

The PUC issued several rulings at its January 25th and 28th Open Meetings, six of which pertain directly to the EERMC. Topics include

- EERMC Budget allocation, expense payment, client fund account, expenditure forecasting, and invoice filing

There was also discussion on potential study funding and EERMC budget planning

- No formal rulings were issued at the Open Meetings, but it is expected that they will be included in the PUC's Final Order on Docket 5189



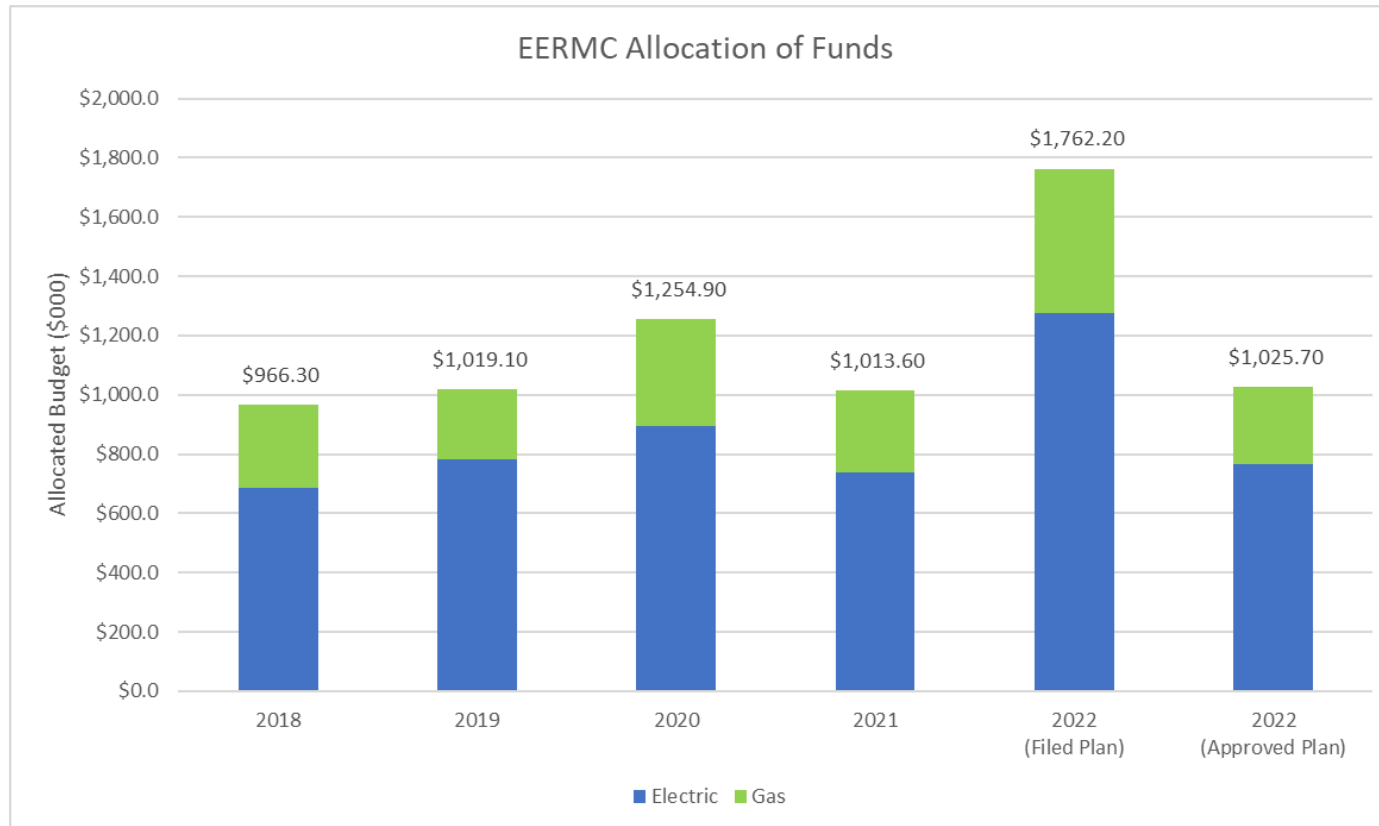
PUC RULINGS RELATED TO THE EERMC





EERMC Budget

#1: EERMC Budget Allocation – Set at \$1,025,763, with the distribution to the Electric and Gas portfolios proportional to the total budget for each





EERMC Expenses

#2: EERMC Expense Payment – to be paid by National Grid within 30 days of invoice receipt with approval of Council Executive Director

#3: EERMC Client Account – funds in the Client Account to be returned to National Grid to pay outstanding expenses, with any excess funds being credited to ratepayers through the reconciliation process

#4: EERMC Funds – no future funds to be transferred directly to the EERMC



EERMC Expenditure Forecasts and Reports

#5: EERMC Expenditure Forecasting – the EERMC may request additional funds if anticipated expenditures exceed the authorized allocation, subject to PUC Approval

#6: EERMC Invoice Reporting – National Grid shall file copies of all paid EERMC invoices with the PUC on a quarterly basis. The last filing (in December of each calendar year) should include an estimate of unpaid expenditures expected to be invoiced for that calendar year



CONSULTANT TEAM ACTIONS FOLLOWING PUC RULINGS





Motivation for Consultant Team Actions

Several areas of questioning during the PUC's EE Plan hearings on EERMC operations and expenses related to the Consultant Team

We remain confident in our team's deep bench of expertise, thought leadership on leading-edge industry trends, and record of service to the Council

We are always open to constructive feedback and creative thinking about ways we can improve our services

The Commission identified several areas where we agree such opportunities exist

These are included in the planned actions summarized on the coming slides



Consultant Team Actions #1-3

C-Team Action #1: Propose an adapted C-Team SOW and budget to align with the PUC's approved allocation

C-Team Action #2: Maintain fixed C-Team rates and commit to keeping future budgets at or below revised 2022 levels for any years covered by extensions to existing Consulting Services contract

C-Team Action #3: Implement administrative billing rate of \$80/hour for discrete administrative work areas within C-Team SOW



Consultant Team Actions #4-6

C-Team Action #4: Commit to prioritizing Rhode Island-based resources where possible to meet SOW needs

C-Team Action #5: Re-examine invoice categories to ensure clarity regarding C-Team work streams and deliverables

C-Team Action #6: Support Council in revisiting budget development process and timing



Consultant Team Actions #7-9

C-Team Action #7: Support National Grid’s pursuit of EM&V efficiency by leveraging EM&V studies in other jurisdictions and prioritizing key studies for Rhode Island

C-Team Action #8: Survey Council members regarding preferred Council retreat timing, frequency, and goals

C-Team Action #9: Continued responsiveness to PUC rulings and guidance in recent and forthcoming written orders



COUNCIL ACTIONS TO CONSIDER FOLLOWING PUC RULINGS





Potential Council Commitments

The Consultant Team has assembled an **initial list of possible Council commitments** to kick-start discussion regarding Council-related PUC rulings:

- 1. Develop an accelerated budget planning process** to ensure more clarity can be offered during future EE Plan dockets regarding proposed EERMC budget allocations
- 2. Maintain key focus on driving cash and bill benefits** from EE for all Rhode Islanders, both participants and non-participants
- 3. Fully support OER and National Grid** in shifting management of Council funds to National Grid
- 4. Request no more funds than are anticipated to be needed to support all EERMC responsibilities and activities** in future EERMC budgets

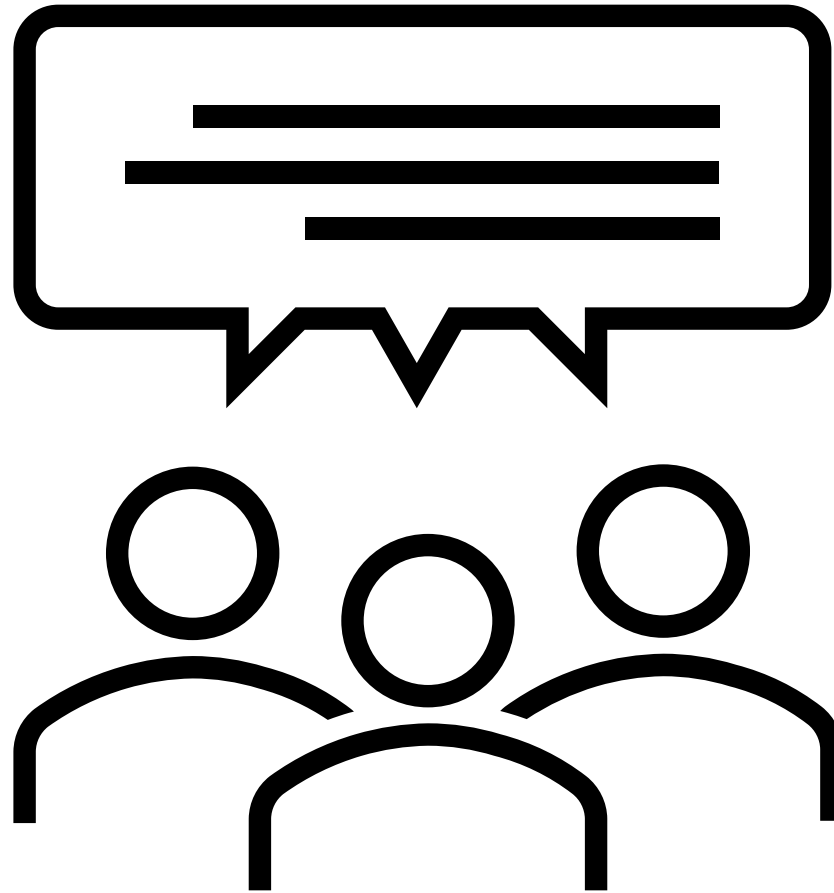


COUNCIL DISCUSSION





Council Member Discussion





APPENDIX





2022 EE Plan PUC Rulings

- The Commission approved the electric energy efficiency budget as presented in PUC 7-9, otherwise known as the Alternative Base Plan, subject to the modifications made by the Commission, as well as the gas energy efficiency budget as filed
- The Commission authorized National Grid to implement the programs described in the 2022 Plan as modified by the PUC's motions in Docket 5189



2022 EE Plan PUC Rulings

- The Commission approved the rate factors shown in Table E-1 and Table G-1 of the second revised compliance filing as filed with the Commission on January 27, 2022
- On evaluation budgets, the Commission reduced the allocation for EM&V by \$725,000 to approximately \$2,400,000



2022 PUC-Approved Electric Rate Factors

	Income Eligible Residential	Projections by Sector Non-Income Eligible Residential	Commercial & Industrial	Total
(1) Projected Budget (from E-2):	\$17,017.5	\$35,270.9	\$56,382.8	\$108,671.3
Sources of Other Funding:				
(2) Projected DSM Commitments at Year-End 2021:	\$0.0	\$0.0	\$0.0	\$0.0
(3) Projected Year-End 2021 Fund Balance and Interest:	(\$17.5)	(\$6,770.1)	\$13,236.9	\$6,449.3
(4) Projected FCM Net Revenue from ISO-NE:	\$479.2	\$5,690.2	\$8,083.2	\$14,252.7
(5) Total Other Funding:	\$461.7	(\$1,079.9)	\$21,320.1	\$20,702.0
(6) Customer Funding Required:	\$16,555.9	\$36,350.8	\$35,062.8	\$87,969.3
(7) Forecasted kWh Sales:	246,778,762	2,930,118,727	4,162,361,309	7,339,258,798
(8) Energy Efficiency Program charge per kWh, excluding uncollectible recovery:				\$0.01198
(9) Proposed SRP Opex Factor per kWh, excluding uncollectible recovery:				\$0.00000
(10) Total Proposed Energy Efficiency Charge per kWh, excluding uncollectible recovery:				\$0.01198
(11) Currently Effective Uncollectible Rate				1.30%
(12) Proposed Energy Efficiency Program Charge per kWh, including Uncollectible Recovery:				\$0.01213
(13) Currently Effective Energy Efficiency Program Charge per kwh				\$0.01113
(14) Proposed Adjustment to Reflect Fully Reconciling Funding Mechanism				\$0.00100



2022 PUC-Approved Gas Rate Factors

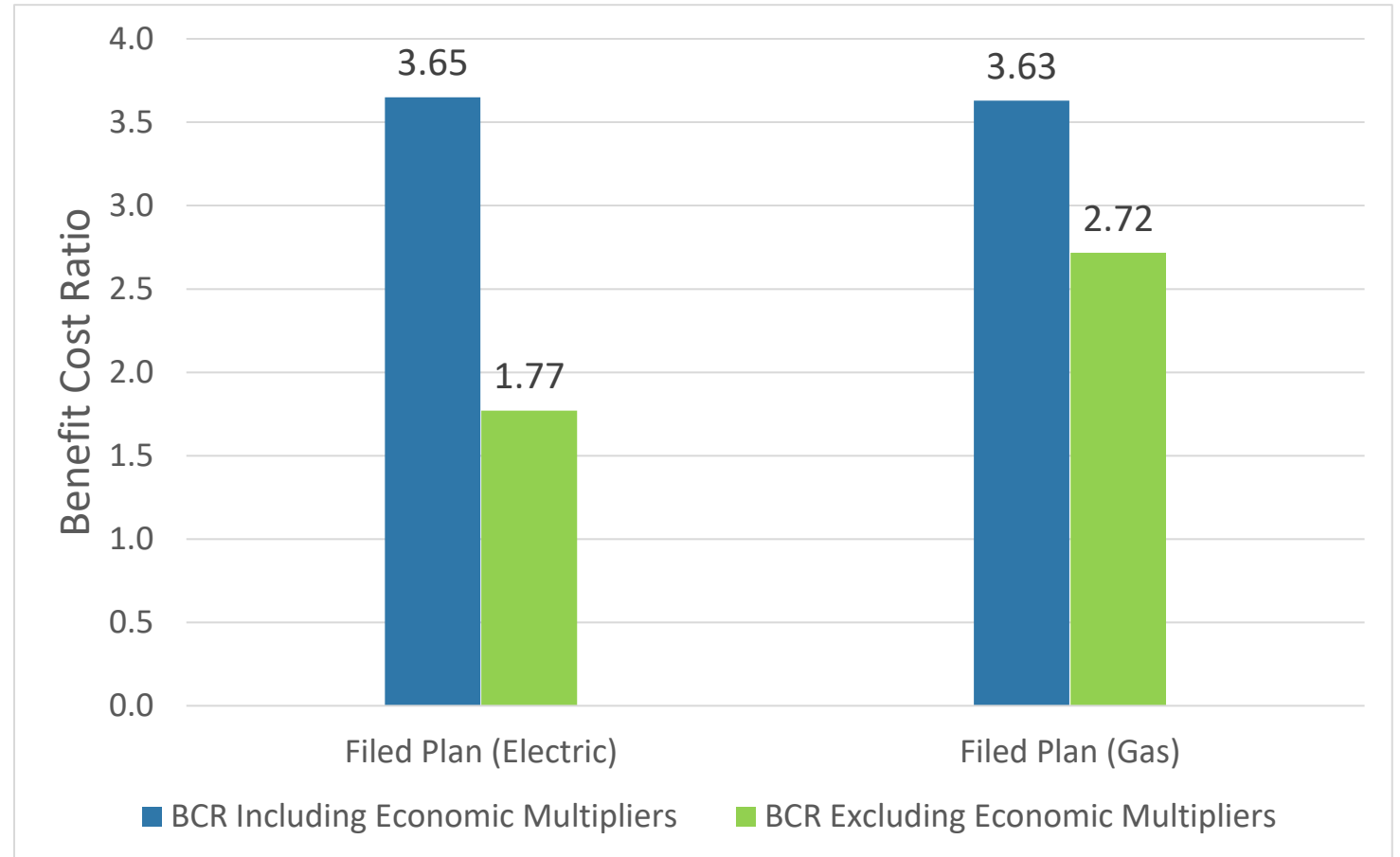
	Projections by Sector			
	Income Eligible Residential	Non-Income Eligible Residential	Commercial & Industrial	Total
(1) Projected Budget (from G-2):	\$9,410.2	\$15,912.5	\$11,583.2	\$36,906.0
Sources of Other Funding:				
(2) Projected Year-End 2021 Fund Balance and Interest:	(\$12.4)	(\$8,944.4)	\$2,859.3	(\$6,097.4)
(3) Total Other Funding:	(\$12.4)	(\$8,944.4)	\$2,859.3	(\$6,097.4)
(4) Customer Funding Required:	\$9,422.6	\$24,856.9	\$8,723.9	\$43,003.4
(5) Forecasted Firm Dth Volume	1,685,277	18,876,534	19,843,867	40,405,678
(6) Forecasted Non Firm Dth Volume			2,278,545	2,278,545
(7) Less: Exempt DG Customers			(1,244,516)	(1,244,516)
(8) Forecasted Dth Volume:	1,685,277	18,876,534	20,877,896	41,439,707
(9) Average Energy Efficiency Program Charge per Dth excluding Uncollectible Recovery:				\$1.037
(10) Proposed Energy Efficiency Program Charge per Dth excluding Uncollectible Recovery	\$1.247	\$1.247	\$0.830	
(11) Currently Effective Uncollectible Rate	1.91%	1.91%	1.91%	
(12) Proposed Energy Efficiency Program Charge per Dth, including Uncollectible Recovery:	\$1.271	\$1.271	\$0.846	
(13) Currently Effective Energy Efficiency Program Charge per Dth	\$0.871	\$0.871	\$0.596	
(14) Adjustment to Reflect Fully Reconciling Funding Mechanism	\$0.400	\$0.400	\$0.250	



2022 PUC-Approved EE Plan Data

RI Test w/ Economic Multipliers		
	Filed Plan (Electric)	Filed Plan (Gas)
Costs	\$124,466	\$45,644
Benefits	\$461,562	\$165,874
Net Benefits	\$337,095	\$120,230
BCR	3.65	3.63

RI Test w/o Economic Multipliers		
	Filed Plan (Electric)	Filed Plan (Gas)
Costs	\$124,466	\$45,644
Benefits	\$224,184	\$124,049
Net Benefits	\$99,718	\$99,718
BCR	1.77	2.72





PUC Rulings on Performance Incentives

- The PUC ruled to continue use of the PIM from Order 24225 in Docket 5076 with the following modification:
 - a) Approve a design performance payout for the electric C&I sector of \$3,390,165 and for the gas [C&I] sector of \$1,000,000, and
 - b) approve the following service quality adjustments for gas and electric residential and income eligible – reduce electric and gas income eligible by 38% and reduce non-income eligible residential gas and electric by 25% from last year's numbers.
- The PUC also directed National Grid to allocate the RIIB fund transfer proportionately in the calculation of net eligible costs for the gas and electric performance incentive mechanism

EXHIBIT 2

Memo



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

To: RI Energy Efficiency and Resource Management Council
From: EERMC Consultant Team
Date: February 11, 2022
Subject: EERMC Update and Next Steps Following PUC Rulings in Docket 5189

I. INTRODUCTION & SUMMARY

This memo seeks to update the Energy Efficiency and Resource Management Council (EERMC) on the outcomes from the Rhode Island Public Utility Commission (PUC) review and rulings regarding the 2022 Annual Energy Efficiency Plan (EE Plan) filed by National Grid, which was covered under Docket 5189¹. The rulings covered in this memo were issued at the January 25, 2022² and January 28, 2022³ Open Meetings held by the PUC. These Open Meetings followed several months of discovery beginning with the filing of the EE Plan in October 2021, as well as five days of hearings with testimony offered by National Grid, the Division of Public Utilities and Carriers via their Consultants, the EERMC Consultant Team (C-Team), and staff from the Rhode Island Office of Energy Resources (OER).

II. SUMMARY OF RULINGS IN DOCKET 5189

Rulings Specific to EERMC

This section summarizes rulings issued by the PUC that directly relate to the EERMC. Most of these items were made and adopted in the form of official motions by the Commissioners, though some were discussed without formal motions and are expected to be included in the final written Order. The following list excerpts the official rulings related to the EERMC's budget and use of funds, which track closely to the PUC's actual wording during the Open Meeting:

1. The allocation to the EERMC be set at \$1,025,763 to be allocated between electric and gas proportional to the total budget for each.⁴
2. All expenses incurred by EERMC for 2022 shall be paid by National Grid upon receipt of invoice documentation that the amounts are owed as approved by the Executive Director. National Grid shall take all reasonable steps to expedite such payments as soon as possible but no later than 30

¹ Docket 5189 materials can be found at: <http://www.ripuc.ri.gov/eventsactions/docket/5189page.html>

² PUC recorded livestream of the January 25th Open Meeting is available at the following link: <https://video.ibm.com/recorded/131299121>. This link may be used to reference timestamps of individual rulings which are provided throughout this document.

³ PUC recorded livestream of the January 28th Open Meeting is available at the following link: <https://video.ibm.com/recorded/131307532>. This link may be used to reference timestamps of individual rulings which are provided throughout this document.

⁴ This ruling was issued at the January 25th Open Meeting at timestamp 56:55. The calculation of this allocation was provided as an exhibit at the January 25th Open Meeting, and is included as an appendix to this memo.

days from receipt. If National Grid is not complying with this directive EERMC should notify the Commission.⁵

3. Direct EERMC to return any funds in the client account to National Grid and for National Grid to pay any remaining bills. Any excess after paying the outstanding bills shall be credited to ratepayers through the reconciliation process.⁶
4. No future funds shall be transferred to EERMC directly.⁷
5. EERMC manage its expenses within the allocation authorized in this order. However, if EERMC forecasts its actual expenses to exceed the amount of the allocation approved by the Commission in this order, EERMC may make a filing seeking approval in advance for an additional allocation of funds to cover excess expenses, provided that a full explanation and justification for the excess expenditures is included in the filing to the Commission, and such expenditures are found to be just and reasonable by the Commission.⁸
6. National Grid shall file copies of all invoices paid to cover EERMC's expenses on a quarterly basis by the 15th of April, July, October, and December, and a full reconciliation of the prior calendar year's payments by March 15. The December filing should also include an estimate of expenses not yet paid but expected to be invoiced as informed by representatives of the EERMC. Copies of these reports also shall be sent directly to each of the EERMC members individually.⁹

As noted above, the PUC also discussed a couple items related to the Council's budget that did not require motions. The C-Team expects that these items, which are summarized below, will be included in the Commission's final Order.

1. The Commission is aware that the cost of the next potential study could exceed \$500,000, and thus could strain the budget allocation for the year in which those expenses are incurred. Accordingly, if there are not enough funds within the capped allocation applicable to the year in which the potential study costs are incurred, the EERMC may request that the incremental cost of the study be amortized or spread over a three-year period.
2. For future planning purposes, the EERMC will be directed to prepare a budget for 2023 before National Grid makes its filing for the 2023 Plan and provide the budget figure to National Grid. National Grid shall include that budget figure in its proposed plan schedule as the proposed allocation for the EERMC. The EERMC must then provide testimony, reasonable documentation and justification for the budget level to support a Commission allocation of the requested amount. The budget must reflect reasonable cost, be reasonably needed to carry out its duties, and reasonably related to the expense types identified in the statute. The Commission retains its

⁵ This ruling was issued at the January 25th Open Meeting at timestamp 1:51:08.

⁶ This ruling was issued at the January 25th Open Meeting at timestamp 1:51:40.

⁷ This ruling was issued at the January 25th Open Meeting at timestamp 1:52:12.

⁸ This ruling was issued at the January 25th Open Meeting at timestamp 1:52:25.

⁹ This ruling was issued at the January 25th Open Meeting at timestamp 1:53:03.

authority to determine the final allocation based on the evidentiary record, subject to the statutory caps.¹⁰

Rulings on Implementation of the 2022 Plan

The PUC made the following rulings related to approval of programs and budgets for 2022:

- The Commission approved the electric energy efficiency budget as presented in PUC 7-9, otherwise known as the Alternative Base Plan, subject to the modifications made by the Commission.¹¹
- The Commission approved the gas energy efficiency budget as filed by National Grid with the Commission, subject to the modifications made by the Commission.¹²
- The Commission directed National Grid to file a Compliance filing by Wednesday January 26, 2022 for the Commission's review and consideration on Friday January 28, 2022.¹³
- The Commission authorized National Grid to implement the programs described in the 2022 Plan as modified by the PUC's motions in Docket 5189.¹⁴
- The Commission approved the rate factors shown in Table E-1 and Table G-1 of the second revised compliance filing¹⁵ as filed with the Commission on January 27, 2022.¹⁶

Other Rulings and Discussion

The PUC also issued several rulings related to other items that were discussed during the proceedings. These are described below:

- **On the transfer of funds to the Rhode Island Infrastructure Bank (RIIB)**, the PUC ruled to allocate the \$5,000,000 transfer to the RIIB to both the electric and gas budgets on a proportional basis based on their budgets.¹⁷
- **On evaluation budgets**, the Commission reduced the revenue for evaluation by \$725,000 to approximately \$2,400,000.¹⁸
- **On the performance incentive mechanism**, the PUC ruled to continue utilization of the performance incentive mechanism approved in Order 24225 in Docket 5076 with the following modification: a) Approve a design performance payout for the electric C&I sector of \$3,390,165 and for the gas [C&I] sector of \$1,000,000, and b) approve the following service quality adjustments for gas and electric residential and income eligible – reduce electric and gas income

¹⁰ This summary which is expected to be included in the final Order was discussed at the January 25th Open Meeting at timestamp 1:37:00.

¹¹ This ruling was issued at the January 25th Open Meeting at timestamp 2:03:30.

¹² This ruling was issued at the January 25th Open Meeting at timestamp 2:03:30.

¹³ This ruling was issued at the January 25th Open Meeting at timestamp 2:04:51.

¹⁴ This ruling was issued at the January 25th Open Meeting at timestamp 2:12:43.

¹⁵ Available online at: [http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-Compliance-2nd%20Revised%20Updated%20Tables%20\(PUC%201-27-22\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5189-NGrid-Compliance-2nd%20Revised%20Updated%20Tables%20(PUC%201-27-22).pdf)

¹⁶ This ruling was issued at the January 28th Open Meeting at timestamp 7:35.

¹⁷ This ruling was issued at the January 25th Open Meeting at timestamp 11:11.

¹⁸ This ruling was issued at the January 25th Open Meeting at timestamp 14:22.

eligible by 38% and reduce non-income eligible residential gas and electric by 25% from last year's numbers.¹⁹

- **On the performance incentive mechanism**, the PUC also directed National Grid to allocate the RIIB cost proportionately in the calculation of net eligible costs for the gas and electric performance incentive mechanism.²⁰
- **On the allocation of OER's budget**, the PUC ruled to allocate to OER an amount equal to 60% of the 3% of funds authorized to be collected from ratepayers through the system benefit charge.²¹
- **On the overspend in the 2021 gas portfolio**, the Commission moved to allow recovery in rates of the requested \$6.097 million related to the gas overspend, subject to full review by the Commission when final numbers are filed. The Commission directed National Grid to file final numbers with the Commission by April 1, 2022.²²

Finally, the PUC also discussed a variety of other topics which may be covered in the final Order. These topics included the Commission's expectations on future budgets for energy efficiency programs, moderate income offerings, presentation of economic benefits in future plan iterations, value streams associated with the ConnectedSolutions program, equity, and the pool of available performance incentives.

III. CONSULTANT TEAM PROPOSED ACTIONS

This section summarizes actions that the C-Team has identified that it can undertake regarding its own operations in an effort to be responsive to comments and rulings issued by the PUC in Docket 5189. The C-Team intends to undertake these actions unless directed not to undertake one or more of the proposed actions by the Council, as we feel it is appropriate for our default forward-looking path to be that which we feel is most responsive to the Commission's comments and rulings.

1. **Propose an adapted C-Team SOW and Budget** to align with the Commission's approved allocation
2. **Commit to keeping C-Team rates constant, and budgets at or below revised 2022 levels**, for any years covered by contract options that the EERMC may choose to execute under their current Consulting services contract
3. **Add an administrative billing rate of \$80/hr** to cover specific work areas²³:
 - a. Website updates (creating Council meeting pages, posting Council meeting materials, posting completed EM&V studies, and other regular website maintenance tasks)
 - b. Event planning work (venue research and booking, food & drink planning, and venue setup)

¹⁹ This ruling was issued at the January 25th Open Meeting at timestamp 27:51.

²⁰ This ruling was issued at the January 25th Open Meeting at timestamp 31:57.

²¹ This ruling was issued at the January 25th Open Meeting at timestamp 1:50:35.

²² This ruling was issued at the January 25th Open Meeting at timestamp 1:57:18.

²³ The newly added administrative rate is included in commitment 2 and would be carried forward accordingly.

- c. Staff who attend meetings in a dedicated note-taking capacity (i.e. are not present to provide technical expertise, meeting facilitation, stakeholder engagement, or other services)
4. **Commit to seeking and prioritizing Rhode Island-based resources** where possible to meet our scope of work needs
5. **Reexamine invoice categorizations** to ensure clarity regarding which work streams and deliverables are being supported by which invoice entries
6. **Support Council in revisiting budget development process and timing** to ensure more clarity can be offered during future EE Plan dockets regarding proposed EERMC budget allocations
7. **Support National Grid in driving EM&V efficiencies** by leveraging study insights from other jurisdictions and strategically prioritizing key studies for RI
8. **Survey Council members regarding preferred Council retreat timing, frequency, and goals** and assess operations for efficiency in retreat delivery.
9. **Continued responsiveness to PUC rulings and guidance** in recent and forthcoming written orders

IV. POSSIBLE EERMC ACTIONS FOR CONSIDERATION

This section summarizes an initial list of actions that the EERMC may choose to take in an effort to be responsive to the rulings and comments from the PUC in Docket 5189. Note that the C-Team has sought to provide suggestions to the EERMC to initiate this conversation, but represents that this is a starting point and intends to facilitate a discussion among Council members regarding these and any other potential actions that may be raised by members themselves.

1. **Develop an accelerated budget planning process** to ensure more clarity can be offered during future EE Plan dockets regarding proposed EERMC budget allocations
2. **Maintain key focus on driving cash and bill benefits** from EE for all Rhode Islanders, both participants and non-participants
3. **Fully support OER and National Grid** in shifting management of Council funds to National Grid
4. **Commit to requesting no more funds than are anticipated to be needed to support all EERMC responsibilities and activities** in future EERMC budgets

V. APPENDIX

Calculation of Allocation to EERMC

Line	Description	Amount	
1	Optimal Energy Estimate Nov. 18	\$892,976	PUC 1-5 draft budget
2	Hours in Nov. 18 Estimate	5,676	PUC 2-1 (SOW)
3	Implicit Blended Hourly Rate	\$157	Line 1/line 2
4	Hours billed in 2020	5,059	PUC Exhibit 10 & EERMC 5-1
5	Calculated Total for Consultancy	\$794,263	Line 3 x line 4
6	Addition of Energy Fellow Intern	\$30,000	PUC 2-1
7	Inclusion of Other Line Items*	\$301,500	PUC 1-5 and PUC 2-1
8	Less future study cost	(\$100,000)	PUC 1-5 draft budget
9	TOTAL EERMC ALLOCATION	\$1,025,763	Sum lines 5 thru 8

*Itemization of Line 7

10	Legal Counsel	\$46,400	PUC 2-1
11	Annual Report Printing & Distribution	\$1,250	PUC 1-5 draft budget
12	Council Travel	\$500	PUC 1-5 draft budget
13	Public Education	\$100,000	PUC 1-5 draft budget
14	Future Study Cost	\$100,000	PUC 1-5 draft budget
15	EERMC Retreat(s)	\$3,000	PUC 1-5 draft budget
16	EERMC Website	\$350	PUC 1-5 draft budget
17	Potential Study Refresh	\$50,000	PUC 1-5 draft budget
		<u>\$301,500</u>	

EXHIBIT 3

Memorandum

To: Energy Efficiency & Resource Management Council
From: Sam Ross, Optimal Energy
Date: February 17, 2021
Subject: Revised 2022 Scope of Work Content, Objectives, and Budget

I. Introduction

Optimal Energy, Inc. and its partners (collectively the Consultant Team or C-Team) appreciate the opportunity to continue serving the Rhode Island Energy Efficiency and Resources Management Council (EERMC) with high quality policy and program consultant services. The Consultant Team provides the following revised Scope of Work (SOW) for its services to the EERMC in 2022 to be responsive to the rulings issued by the Rhode Island Public Utility Commission at its Open Meeting held on January 25, 2022. This SOW, if accepted and approved by the Council, would serve to replace the SOW for 2022 approved by the Council at its meeting on December 9th, 2021¹. The revised SOW retains a clear focus on the key activities delivered in 2021 in service of the Council's statutory obligations, including program implementation oversight and program planning activities. The revised SOW also retains several modified, expanded, and additional work streams that were included in the originally approved SOW for 2022. The primary changes reflected in the revised SOW compared to the originally approved SOW are as follows:

- Section II. 2022 Work Plan
 - o Modified approach to supporting expanded and additional work areas

- Section III. Staffing and Budget
 - o Overall Consultant Team budget has been reduced to \$819,923
 - o Administrative rate of \$80/hour has been added to cover administrative work streams
 - o Commitment to holding included rates constant for any extensions of existing contract
 - o Updated Organizational Chart
 - o Updated presentation of hours and budget table
 - o Confirmation that an intern candidate has been hired through the URI Energy Fellows Program as the EERMC's inaugural Mike Guerard Energy Fellow

Section II of this memo, 2022 Work Plan, summarizes the Consultant Team's work plan and key changes from 2021 to 2022, organized by task. Section III, Staffing and Budget, provides information on the Consultant Team's staffing and includes an estimate of the budget that would be necessary to support our proposed 2022 SOW.

¹ http://rieermc.ri.gov/wp-content/uploads/2021/12/2022-eermc-c-team-proposed-sow_2021.12.02.pdf

II. 2022 Work Plan

A key condition of being able to deliver all these activities efficiently and in a timely fashion depends on the EERMC's expectation that all parties² will commit to effectively implementing the enhancements to the overall development process of the 2023 Energy Efficiency (EE) Plan and continued development work under the System Reliability Procurement (SRP) Three Year Plan. This extends to improving processes to track and report on 2022 program performance to fulfill the Council's Implementation Oversight responsibilities. Draft timelines and process improvement expectations are currently under development, and will be finalized in early 2022, inclusive of commitments from the parties to achieve all elements contained in Least Cost Procurement (LCP) Law³, the LCP Standards, and other relevant documents prescribing legal and regulatory expectations of the parties. We expect this level of coordination will be critical in the future to align efforts; build consistent approaches to planning; streamline delivery; and foster effective collaboration and partnership as the clean energy industry enters a new phase of rapid evolution.

The presentation of this SOW includes a high-level summary of the objectives of the four tasks that were included in our 2021 SOW, a detailed listing of responsibilities and deliverables associated with each task in table format, and a summary of key changes in 2022. Areas of anticipated change in 2022 are grouped under the familiar categories from the Consultant Team's 2021 SOW to facilitate clarity regarding where we see the emphasis of each area, though several of the themes discussed are in fact cross-cutting and may impact multiple areas of work.

High Level Summary of Task Areas

Task 1 - Responsibilities Related to EERMC Oversight

The primary objective of Task 1 is to support Council members as they perform their assigned roles and responsibilities. This includes providing substantive, clear, and timely information for Council members. This will be critically important in the upcoming program cycle, as Rhode Island completes the transformation of the lighting market and shifts focus to the hard work ahead needed to modernize Rhode Island's building stock by addressing measures in key end-uses like envelope, HVAC, and hot water. With rapid change in the energy landscape, up-to-date data and information on industry, technology, policy, and regulatory advances is vital for the Council to guide and drive the evolution of Rhode Island's energy efficiency efforts. In 2022 and beyond, we anticipate that Council members will seek support to build knowledge of emerging program strategies to ensure that the State can continue to maximize efficiency savings and benefits. Our essential role is to ensure that individual EERMC members are supported and empowered to provide strong leadership on both energy efficiency and system reliability, and as a collective body, to serve as stewards of Rhode Island's LCP law (LCP).

² The primary "parties" in the process are National Grid, the Rhode Island Office of Energy Resources (OER), the Division of Public Utilities and Carriers (DPUC or Division), the EERMC and by extension the Consultant Team, and the other members of the Energy Efficiency (EE) and System Reliability Procurement (SRP) Technical Working Groups.

³ <http://webserver.rilin.state.ri.us/Statutes/title39/39-1/39-1-27.7.HTM>

Task 2 - Development of Work Products and Representation of the EERMC

The Consultant Team's focus will be on effective communication and representation of the results of the EERMC's successful work with key stakeholders, institutions, and agencies impacting or being impacted by LCP. Part of this responsibility is to inform and advise decisionmakers and participants in the broader energy efficiency market to build support for continued efforts that will maintain Rhode Island's national leadership in energy efficiency.

Task 3 - Energy Efficiency and System Reliability Program Design and Delivery

This task includes the activities necessary to meet the EERMC's fundamental objectives, which are to oversee the design and successfully deliver system reliability and energy efficiency programs and services that maximize the resulting benefits for all Rhode Islanders. However, it also reflects the EERMC's understanding that the coming years will be very different: the loss of most claimable lighting savings, the likely sale of National Grid Rhode Island, and the continued unfolding of the climate crisis and attendant interconnectedness of many clean energy resources are among the EERMC's future challenges. Our approach will ensure that the EERMC continues to achieve the clearly documented objectives for EE Plan development and delivery codified by the PUC in the LCP Standards, including detailed review of EE Plans to ensure that proposed costs are reasonable and justified and to assure cost-efficiency as well as cost-effectiveness.

Task 4 – Advancing Integrated Approaches and Addressing Emerging Issues

The Consultant Team has been an early voice in many jurisdictions highlighting the imperative to work across areas of energy policy and programs that have historically existed in silos. The process of developing and managing plans that address the integration of cross-cutting solutions and approaches requires a team able to draw on experts across the spectrum of clean energy resources and policies. We will support Rhode Island's continuing leadership in the evolving energy landscape by applying our engagement in a range of jurisdictions on issues including workforce development, heating decarbonization, equity in efficiency programs, locational valuation, and distributed energy resources. Our proposed approach to this key work area directs support and assistance to the OER as it delivers its key function as the agency charged with leading critical activities addressing climate change and resiliency. The Consultant Team is prepared to provide the necessary expertise to assist OER in leading Rhode Island to a secure, cost-effective, and sustainable energy future.

Cross-Task Representation of EERMC

As we have consistently done over the years in the fulfillment of SOW's, the C-Team will engage in public forums, such as the EE and SRP Technical Working Groups and PUC meetings, that are related to discussions and activities that support LCP and other EERMC objectives. Given that developments in these forum don't always align with the cycle of Council meetings, the C-Team will, as we have in past, provide review, analysis, reports and communications in these forum on behalf of the EERMC based on the direction and expectations embedded in this SOW. Additionally, the primary operating position will be that our statements and representations must be grounded in our knowledge of the EERMC's legislated roles and responsibilities as detailed in the clear documentation and expectations set in the LCP Law.

Modified Approach to Covering Expanded and Additional Work Areas

Due to the reduced budget associated with this revised SOW, the C-Team proposes an adaptive approach to managing work to support the range of Council priority areas reflected in the following sections. This approach was conceived in order to avoid entirely removing any already-approved priority areas from the SOW.

We propose maintaining open lines of communication with the Council regarding which priority areas are most timely and impactful as the year progresses, and allocating time and materials on an as-needed basis among these work areas. In this way, we can simultaneously represent the full range of Council priorities for potential engagement in 2022, while also ensuring the consulting resources available to the Council are put to their highest and best use, at the Council's discretion.

Task 1 - EERMC Oversight

TASK 1: EERMC Oversight		13 Subtasks
<p>1.1 EERMC Meetings</p> <ul style="list-style-type: none"> Develop required meeting materials to ensure all legislated objectives are met Present on critical topics and key points for deliberation 	<p>1.2 EERMC Executive Committee Meetings</p> <ul style="list-style-type: none"> Support at least one Executive Committee meeting per year, per Council By-laws 	<p>1.3 Councilor Briefings</p> <ul style="list-style-type: none"> Individually brief each voting Councilor and the non-voting representative for delivered fuels Target at least two per Councilor
<p>1.4 Councilor Retreat & Orientation</p> <ul style="list-style-type: none"> Educate all Councilors Orient new Councilors Cover roles, responsibilities, evolving efficiency issues and innovations and clean energy developments 	<p>1.5 EE & SRP Technical Working Groups</p> <ul style="list-style-type: none"> Participate in separate monthly EE & SRP meetings of core stakeholders Inform development, implementation and evaluation of EE & SRP Plans 	<p>1.6 Equity Working Group</p> <ul style="list-style-type: none"> Represent EERMC in newly formed Equity Working Group Ensure EERMC's equity priorities are reflected in National Grid's EE Plans
<p>1.7 EERMC Education Working Group</p> <ul style="list-style-type: none"> Help implement Council education objectives Organize Annual EERMC Public Forum Coordinate members of EERMC, OER & National Grid 	<p>1.8 OER / Division / Consultant Team Meetings</p> <ul style="list-style-type: none"> Discuss and coordinate EERMC-related activities Prepare for upcoming Council meetings 	<p>1.9 OER / National Grid / Consultant Team Meetings</p> <ul style="list-style-type: none"> Coordinate timing and deliverables required to meet all deadlines Provide feedback based on review of National Grid deliverables
<p>1.10 Refresh & Maintain Website</p> <ul style="list-style-type: none"> Refresh EERMC website to improve useability & value Post monthly meeting notices and materials Promote educational events 	<p>1.11 Manage Consultants as Needed</p> <ul style="list-style-type: none"> Assist with RFP development, issuance, and selection Onboard and oversee activities of vendors Ensure deliverables are met on time 	<p>1.12 Continued Educational Focus</p> <ul style="list-style-type: none"> Further develop EERMC educational tools, including the EERMC educational handbook and white papers
<p>1.13 Manage Possible Utility Sale Implications</p> <ul style="list-style-type: none"> Monitor associated docket and activities Provide support to ensure continuity during transition and ongoing robust efficiency programs in Rhode Island 		

■ Core Scope Activities

■ Additional Activities Identified

Possible Sale of National Grid Rhode Island (National Grid) to Pennsylvania Power and Light (PPL)

There are several areas of likely impact for the EERMC and energy efficiency in Rhode Island should the sale of National Grid's Rhode Island utility operations to PPL receive approval from the Rhode Island Public Utilities Commission (PUC).

A central consideration for the EERMC in the event of a completed sale would be ensuring continuity of efficiency planning and implementation activities. This goal will of course be shared by many parties, including utility staff who choose to transition to PPL, the Rhode Island Office of Energy Resources (OER), the Division of Public Utilities and Carriers (DPUC), and other efficiency stakeholders in the state. Together these entities will ultimately be responsible for shepherding efficiency programs through a change in ownership. Specific areas that may require additional efforts in this capacity might include bringing new staff up to speed on Rhode Island history, context, and approach; adapting to differences in data and reporting infrastructure that may draw upon PPL's existing infrastructure; adjusting planning and oversight processes to account for changes in managerial approach or strategic vision; and augmenting evaluation, measurement, and verification (EM&V) processes to balance out reduced opportunity to directly leverage National Grid's studies in Massachusetts. Of course, the timing and eventual implications of a completed sale are unknown at this time. In the interest of budget efficiency, the Consultant Team proposes a moderate allocation of resources to this task, while noting that the scope of services needed to ensure robust ongoing efficiency programs in Rhode Island during and after the sale of the state's largest utility company will undoubtedly evolve as time passes and further information becomes available.

To that end, even before any of the above potential work areas become operative, the Consultant Team will continue to monitor the associated docket and prepare to engage in efficiency related proceedings should the sale be approved.

Continued Emphasis on Education Activities

The Consultant Team seeks to be responsive to the EERMC's desire for continued robust educational activities and community engagement. In addition to continuing the array of EERMC education activities facilitated by the Consultant Team each year, we propose three areas of incremental effort in 2022. In all cases the timeframe and topics covered would be guided by Council surveys and in-person discussions, and particular attention would be paid to respecting Council members' time while being responsive to the Council priorities. The three incremental areas of effort are:

- *Increased Emphasis on Deep Dive Content for Councilors* – The Consultant Team proposes to plan a series of retreat-style deep dive sessions outside of regular monthly meetings. In addition to offering deeper learning on technical topics, these meetings could explore ways in which the Council could more fully exercise its legislated mandates and contribute to high-level strategy around state energy policy and program implementation.
- *Initiate Development of an Educational Video Library* – In an effort to expand the Council's collection of educational resources, The Consultant Team proposes to establish an on-going practice of developing informational webinars based on presentations given to the Council. Certain presentations would be selected based on their value as educational tools and applicability to a

broader audience. Webinars would be made available on the EERMC website for reference by Council members, stakeholders, and any interested individuals. This would be a cost-efficient way of leveraging existing efforts to build a collection of self-guided learning resources over time.

- *Constituent Connections* – The Consultant Team proposes to support Council members who would like to bolster their connection to the stakeholder communities which they represent. The Consultant Team would facilitate two-way interactions in which Council members would have the opportunity to gain on-the-ground stakeholder insights while relaying efficiency messaging from the Council. This work would also help to establish relationships and networks that could be leveraged when stakeholder voices are needed at key points in the efficiency planning process.



Task 2 - Development of Work Products and Representation of the EERMC

TASK 2: Development of Work Products and Representation of the EERMC			5 Subtasks
<p>2.1 EERMC Annual Report</p> <ul style="list-style-type: none"> • Develop the statutorily required Annual Report • Coordinate with National Grid and OER to source and assemble content 	<p>2.2 State & Regional Policy</p> <ul style="list-style-type: none"> • Represent EERMC in meetings with: <ul style="list-style-type: none"> - General Assembly - Executive branch agencies - ISO-New England - Avoided Cost Study Group 	<p>2.3 Stakeholder Forums</p> <ul style="list-style-type: none"> • Meet individually with: <ul style="list-style-type: none"> - Active EE stakeholders - Local groups on program designs and strategies • Engage in regional initiatives coordinated by NEEP 	
<p>2.4 Annual Timeline</p> <ul style="list-style-type: none"> • Create an annual timeline for all major events and activities for each month • Adjust as needed based on new developments 	<p>2.5 Quarterly Written Progress Reports</p> <ul style="list-style-type: none"> • Provide quarterly written progress reports on all deliverables, activities, and events and any scope additions or revisions 		
<p>■ Core Scope Activities</p>		<p>■ Additional Activities Identified</p>	

Additional Councilor Gatherings

In coordination with OER, the Consultant Team proposes to increase the frequency of executive committee meetings to once per quarter moving forward. This expanded work area covers the necessary time to prepare for, engage in, and take appropriate follow-up actions associated with fulfilling this proposed change.

Task 3 - Energy Efficiency and System Reliability Program Design and Delivery

TASK 3: Energy Efficiency and System Reliability Program Design and Delivery			9 Subtasks
<p>3.1 Residential & Income Eligible Sector Monthly Meetings</p> <ul style="list-style-type: none"> • Provide recommendations on optimizing program performance • Review program data and optimize program performance 	<p>3.2 Commercial & Industrial Sector Monthly Meetings</p> <ul style="list-style-type: none"> • Provide recommendations on optimizing program performance • Review program data and optimize program performance 	<p>3.3 EM&V: C&I and Residential Studies</p> <ul style="list-style-type: none"> • Meet monthly with National Grid, OER and Division • Review current studies & SOW's • Ensure consistency of study development, review, and approval 	
<p>3.4 2023 Annual Plan Development</p> <ul style="list-style-type: none"> • Meet monthly with sector strategy groups on 2023 Annual Plan development between April and October • Additional meetings with National Grid, OER, Division 	<p>3.5 CHP Annual Public Meeting</p> <ul style="list-style-type: none"> • Per legislation, gather stakeholders to discuss opportunities and strategies around CHP in Rhode Island 	<p>3.6 PUC Technical Sessions & Open Meetings on 2022 & 2023 EE Plans</p> <ul style="list-style-type: none"> • Represent EERMC in at least two pre-filing and two post-filing technical sessions • Participate in open meetings for PUC ruling on Plans 	
<p>3.7 Cost-Effectiveness Analysis & Report</p> <ul style="list-style-type: none"> • Conduct detailed analysis on proposed EE & SRP Plans to determine cost-effectiveness and adherence to TRM standards • Submit report to PUC 	<p>3.8 Quarterly Memos</p> <ul style="list-style-type: none"> • Provide quarterly memos and/or presentations on EE & SRP progress 	<p>3.9 Oversight of Third-Party Studies</p> <ul style="list-style-type: none"> • Provide oversight of any analyses or studies commissioned by EERMC • Ensure they are effectively used to support related processes and objectives 	
<p> Core Scope Activities</p>			<p> Additional Activities Identified</p>

2022 Annual Energy Efficiency Plan Proceedings Before the PUC

The 2022 Energy Efficiency Plan (EE Plan) is the first annual efficiency plan not endorsed by the EERMC. As a result of the fulsome discovery process currently underway, which is a strength of the current docket schedule (Docket 5189), some hearings before PUC have been scheduled for early 2022. Consequently, the Consultant Team will continue to be heavily engaged in this docket, including reviewing discovery and pre-filed testimony, preparing for and attending at least three hearings, and engaging in associated follow-up work streams. These will include but are not limited to preparing materials for the EERMC to stay abreast of the docket's progress, and assisting in the adaptations to planning and oversight timelines that may result from either the PUC's

rulings, or simply from the fact that any such rulings related to the 2022 EE Plan may not be issued until the calendar year 2022 is already underway, which may necessitate adjustments to some plan elements.

2022 Energy Efficiency Plan Implementation Oversight

The Consultant Team recognizes several reasons that there may be increased need related to 2022 EE Plan oversight activities. First, covered in part during the discussion of the potential sale of National Grid to PPL, efficiency implementation may be impacted by staff transitions, changes in management approach, differences in data collection and reporting infrastructure, utility internal resource allocation, and the need for efficiency staff to balance transition-related responsibilities with implementation responsibilities. Though none of these factors individually guarantee that implementation will be adversely affected, collectively they represent a risk to implementation that the Council may wish to counter with increased Consultant Team staff engagement. For example, if staff transitions result in an influx of new individuals, or resource constraints for utility staff in the near term, the other parties to energy efficiency planning processes in Rhode Island, including but not limited to OER and the DPUC, may be called upon to provide continuity in the form of historical context, knowledge sharing with new utility staff, and deploying expertise.

In addition, 2022 will be the first implementation cycle for efficiency programs which were initially not endorsed by the Council. To the degree that various Council concerns raised during 2022 EE Plan development remain outstanding at the conclusion of the PUC proceedings regarding the 2022 EE Plan, the EERMC may direct the Consultant Team to closely monitor, support, and engage the Council in continuing to seek and develop potential solutions for these areas of concern, which can then feed into 2023 EE Plan development.

2023 Annual Energy Efficiency Plan Development

Building from the discussion above regarding 2022 implementation oversight, many of the same considerations suggest that additional Consultant Team resources may be necessary to ensure an effective, forward-looking, and robust 2023 Annual EE Plan development process. Continuity in light of the potential sale and continued effort in search of resolution to outstanding Council concerns certainly apply equally to 2023 planning and 2022 oversight.

Further, the Consultant Team has observed a pattern of increasing time and effort associated with annual plan proceedings before the PUC in recent years. The 2020 EE Plan proceedings were not fully resolved until rulings were issued in August of 2021, with written rulings issued in September of 2021. Similarly, the 2021 EE Plan proceedings have already exceeded historical demands due to the contested nature of the 2022 Plan and are anticipated to once again continue into the program year for which the plan was designed. In light of this recent track record and considering that the historical pattern of the EERMC's endorsement of efficiency plans has changed just this year, the Consultant Team anticipates an increase in the level of effort that will be required for the 2023 planning cycle proceedings before the PUC.

Rate and Bill Impacts – Building on 2022 Plan Feedback and Delivered Fuels Model Development

As part of the 2022 planning process, the Consultant Team engaged in a detailed review of National Grid's rate and bill impact models. Unfortunately, the first opportunity for this review occurred after National Grid had issued their final draft 2022 EE Plan. As a result, though several methodological and analytical concerns were

raised during the Consultant Team review, the large majority of these issues were deferred by National Grid for corrective action in 2022 due to the late stage at which the models were made available.

Fortunately, National Grid has represented willingness to discuss and correct the issues identified with the electric and natural gas rate and bill impact models in 2022, in addition to developing a model for estimating pocketbook impacts from delivered fuel savings associated with the electric and natural gas efficiency programs. These work streams are planned to take place largely in the first half of 2022, in order to ensure that modeling improvements can be determined, implemented, and reviewed for quality assurance in time to be utilized during the 2023 EE Plan development process. Additionally, the Consultant Team anticipates receiving versions of these models associated with the first draft of the 2023 EE Plan as a process improvement over the 2022 EE Plan development process.

Oversight of Rhode Island Market Potential Study 2024-2026 Updates



The three-year planning cycle covering program years 2024 – 2026 will take place during calendar year 2023. As a result, any updated quantitative analysis of market potential for efficiency and other resources will need to be contracted and largely undertaken in 2022, to ensure that robust, defensible results are available in time to inform the target-setting process, which is anticipated to begin in early 2023. Consequently, as with the previously completed Rhode Island Market Potential Study, the Consultant Team proposes to provide full support in the development of an appropriate SOW for this update, as well as in drafting any solicitations, contracts, and work plans, and overseeing successful implementation of the work necessary to provide an updated potential assessment for 2024 through 2026.

Benefit Cost Methodology and Non-Pipes Alternatives in System Reliability Procurement (SRP)

The Consultant Team anticipates an increase in time required to support several important SRP developments in 2023. First, along with OER, the Consultant Team has initiated discussions related to benefit-cost methodologies for Non-Wires Alternatives (NWA) and Non-Pipes Alternatives (NPA) in 2021 which we anticipate building upon in 2022. Second, in fall 2021 National Grid committed to continuing to improve upon the analyses and models used to explore internally-sourced NWA solutions such as targeted efficiency, demand response, solar, and storage. This new work stream is anticipated to expand in 2022 as the collaborative effort to establish best-practice methodologies for such analyses hits its stride. Similarly, the development of the NPA program will accelerate in 2022, including the need to establish clear planning expectations to ensure that the program is fully developed on time for National Grid's proposed 2023 deadline.

Further, SRP proceedings are likely to be impacted by any transitions associated with the sale of National Grid Rhode Island to PPL. Here again, other parties to SRP proceedings may represent an important source of continuity and institutional knowledge to ensure continued smooth operations.

Task 4 – Advancing Integrated Approaches and Addressing Emerging Issues

TASK 4: Advancing Integrated Approaches and Addressing Emerging Issues		4 Subtasks
<p>4.1 Scoping Meetings with OER and/or EERMC</p> <ul style="list-style-type: none"> Meet with Councilors and OER to define objectives and deliverables associated with necessary analyses, research, and documents to support all areas of integration and innovation 	<p>4.2 Analysis, Research Papers, White Papers</p> <ul style="list-style-type: none"> Develop timely analyses, research papers, white papers, etc. as requested 	
<p>4.3 Increasing Focus on Equity in Energy Efficiency</p> <ul style="list-style-type: none"> Ensure progress against commitments is sufficiently tracked and reported, and continue supporting program improvements Attend all equity working group proceedings on behalf of the Council Support actionable takeaways from Participation and Nonparticipant Studies 	<p>4.4 Climate and Efficiency Integration</p> <ul style="list-style-type: none"> Track climate initiatives and policies to ensure coordination with efficiency planning and implementation Draw upon climate expertise and experience in other jurisdictions and translate to Rhode Island context 	
<p> Core Scope Activities</p>		<p> Additional Activities Identified</p>

Increasing Focus on Equity in Energy Efficiency

The Consultant Team has identified several ways in which the expanding focus on equity in energy efficiency can be effectively supported and enhanced through continued EERMC effort and associated Consultant Team support.

Most immediately, the equity commitments made in the 2022 EE Plan are now among the EERMC’s areas of implementation oversight responsibility. The Consultant Team will engage with National Grid to ensure progress against these commitments is being tracked with sufficient detail, and reported with sufficient regularity, to enable the Council to fulfill its implementation oversight charge. In furtherance of this goal, we propose to staff one Consultant Team member as an active listener in all equity working group (EWG) proceedings in 2022, who will be responsible for reporting back to the EERMC relevant updates associated with the commitments made in the 2022 EE Plan. Note that, as long as the National Grid team solicits continued facilitation services, and other EWG stakeholders are actively engaged in and supportive of that solicitation decision, we explicitly propose to be passive attendees at the EWG meetings (unless explicitly invited to participate in specific conversations) to

ensure the original intent of the EWG, to bring new voices and perspectives to energy efficiency program planning, is honored.

Further, the expected completion of the *Participation and Multifamily Census Study* and the *Nonparticipant Study* will provide powerful, actionable insights and program design improvement opportunities which can be immediately implemented in 2022. The Consultant Team expects both the impact and immediacy of these two study's results to be greater than typical EM&V studies. Early in the program year, Consultant Team activities related to these two studies will be focused on the completion of the studies themselves and review and comment on final deliverables and conclusions, which will take place in the EM&V work stream. Once these activities are concluded, the focus will shift to sector team activity, where direct implementation impacts will be assessed.

Climate and Efficiency Integration, including Act on Climate, HVAC Emphasis, and Braiding Resources

In the course of Council meetings, Council retreats, and Councilor briefings, the Consultant Team has observed a broad-based increase in the level of interest and attention paid to the intersection of Rhode Island's energy efficiency programs and Rhode Island's efforts to curtail the unfolding climate crisis. This is complemented by an increasing industry-wide trend toward the consensus view that, while energy efficiency remains a critical grid resource and opportunity for ratepayer savings, it is also a central pillar in any plan that seeks to reduce the greenhouse gas emissions of the energy sector, alongside other clean energy resources such as solar, storage, demand response, electric vehicles, and others.

In light of the recently-passed Act on Climate, and the associated clear need for increasing interconnection among historically siloed clean energy resources, the Consultant Team proposes to provide a more consistent view to the EERMC regarding climate- and other clean energy- related activities in Rhode Island and around the Country. Notably, this effort will be complementary to OER's central role in driving forward these important state policy initiatives. Specifically, the Consultant Team proposes to increase efforts to stay abreast of activities at the Rhode Island Executive Climate Change Coordinating Council (EC4) and Distributed Generation Board (DG Board). This will ensure that future efficiency program planning activities take direct account of, and can be harmonized with, related decarbonization and resiliency efforts in Rhode Island.

Specific areas where the Consultant Team can offer expertise and experience include drawing upon our work driving climate-first efficiency programs in Massachusetts, supporting analysis of electrification policy opportunities in New York and Pennsylvania, and other similar work elsewhere.

III. Staffing and Budget

The Consultant Team will fully and effectively deliver all elements of this SOW. Work assignments and roles will remain flexible to assure that the right staff, skillset, and availability are in place on all tasks, as well as to address evolving issues.

Organizational Chart

Our staffing plan balances a core of members with proven track records, institutional knowledge, and well-established relationships while also enhancing and expanding the team to assure that evolving challenges and needs are addressed⁴. We organize our team into five groups covering the core roles and areas of focus, as shown in our organizational chart below. While each member is only listed in their primary areas of concentration, many team members actively participate in multiple groups.



Inaugural Mike Guerard Energy Fellow

At its December 9, 2021 meeting, the Council approved the Consultant Team to engage an intern for the calendar year 2022 to fill the inaugural Mike Guerard Energy Fellow Internship. The internship provides workforce development opportunities for RI based college students. The intern will assist the EERMC and its C-

⁴ As in the past, Optimal may identify staff from our subcontractor firms and/or industry experts uniquely suited to support this scope of work, and seek OER approval before adding resources not specifically named in the organizational chart.

Team in support of EERMC objectives and activities. For this year, we are working with Jesse Duroha, a PhD student from the University of Rhode Island (URI) through the URI Energy Fellows Program.

Budget

The proposed hours are tied to our billing rates that were approved for use in our 2021 SOW for 2021-2022:

Staff Title	Billing Rate (\$/hour)
Project Manager	\$198
Principal-in-Charge/CEO	\$212
Managing & Senior Consultant	\$198
Consultant	\$186
Senior Engineer	\$160
Independent Consultant	\$155
Analyst	\$135
Administrative Rate ⁵	\$80
Interns	\$35

The Consultant Team commits to holding these rates constant for any future contract years for which the Council may choose to execute their contractual option to extend services under the current Rhode Island Policy and Program Consulting Agreement.

The SOW that the Council approved in December included a table with planned hours and budget at the task level, as well as for various work areas within each task. The C-Team heard the concern during the PUC's Open Meetings in January that this organizational schema was at times confusing and is committed to re-examining our invoice organizational schema to ensure clarity regarding our work streams and deliverables. As such, for the purpose of this updated SOW, we are only highlighting revised hours and budgets for each task. The C-Team commits to providing an update regarding our proposed organizational schema moving forward no later than our First Quarter Report on C-Team Activities.

	HOURS	BUDGET
Task 1: EERMC Oversight	819	\$ 148,544
Task 2: Work products and representation of the EERMC	928	\$ 167,287
Task 3: Energy Efficiency and SRP Program Design and Delivery	1,977	\$ 356,602
Task 4: Advancing Integrated Approaches & Addressing Emerging Issues	677	\$ 117,490
EERMC Intern⁶	600	\$ 30,000
TOTAL	5,001	\$ 819,923

Note: The Consultant Team only bills for hours actually worked up to the total approved budget.

⁵ The administrative rate will be used by members of the Consultant Team for specific invoice entries that reflect administrative work streams. Unlike other rates in this table, it is the work stream rather than the staff member in question that defines when the rate will be applied.

⁶ While the URI Energy Fellows program requires a minimum of 600 hours for internships, the EERMC Intern position has the capacity to support incremental hours beyond this minimum amount.

EXHIBIT 4



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EERMC FULL COUNCIL MEETING Minutes

Thursday, February 17, 2022

Full Council Meeting | 3:00 - 5:00 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

Members in Attendance: Commissioner Nick Ucci, Anthony Hubbard, Sue AnderBois, Peter Gill Case, Karen Verrengia, Joe Garlick

Others Present: John Richards, Marisa Desautel, Jesse Duroha, Diane Quesnelle, Sam Ross, Nathan Cleveland, Steven Chybowski, Brett Feldman, Joel Munoz, Nelson DiBiase, Craig Johnson, Rachel Sholly, Adrian Caesar, Eric Belliveau, Margaret Hogan, Jessica Darling, Josh Kessler, Anika Kreckel, Samantha Caputo, Kai Salem

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-february-2022/>.

1. Call to Order

Acting Chair Hubbard called the meeting to order at 3:06 p.m. and noted that the Council did not have a quorum.

2. Meeting Minutes – January 20, 2022

Acting Chair Hubbard tabled agenda item two for the March meeting.

3. Executive Director Report

Commissioner Ucci notified the group that the Office of Energy Resources is continuing to identify potential candidates to fill current EERMC vacancies. Recommendations for any vacant seats can be shared with Mr. Chybowski.

Commissioner Ucci also stated that work on the Executive Climate Change Coordinating Council (EC4) continues and that there will be an advisory board meeting next Wednesday at 10:30 a.m. and that everyone is welcome to attend.

Lastly, Commissioner Ucci stated that OER will begin a public comment period on rules and regulations for updated appliance standards based on legislation from last year. A specific date

hasn't been set yet, but the EERMC will be notified once the rules and regulations are posted for comment.

4. **Acting Chairperson Report (items 1-4: 10 min, 3:00 - 3:10pm)**

Acting Chair Hubbard stated that no votes will be taken today and discussion items will be tabled until March. Acting Chair Hubbard also requested that the Office of Energy Resources share the Council retreat survey link after this meeting.

5. **Program Oversight (40 min, 3:10 – 3:50 pm)**

- a. *National Grid Update on Conclusion of 2022 Energy Efficiency Plan Hearings (15 minutes, 3:10 – 3:25pm)*

Mr. Richards provided a high-level overview of the results of the Public Utilities Commission hearings of the 2022 Energy Efficiency Plan. The approved energy efficiency plan had a nine percent budget reduction from the originally proposed energy efficiency plan. The “Alternative Base Plan” was the approved energy efficiency plan. The evaluation, measurement, and verification (EM&V) budget was also reduced for 2022, and EM&V studies have been altered to reflect the budget changes. Lastly, energy efficiency rates are typically in effect for a full calendar year, but 2022's energy efficiency rates were not in effect until February 1st, because the energy efficiency plan was not finalized until mid-January. There were no questions from the Council.

- b. *Regulatory Update on Conclusion of 2022 Energy Efficiency Plan Hearings (25 minutes, 3:25 – 3:50pm)*

Mr. Ross led a presentation identifying Public Utilities Commission rulings that impact the Energy Efficiency and Resource Management Council (EERMC). Mr. Ross noted that the Council's budget was set at a specific amount, which will be funded proportionally from National Grid's gas and electric accounts. All expenses will now be paid by National Grid, upon approval from OER's Commissioner acting as Executive Director of the EERMC, and National Grid is expected to file copies of all invoices paid to the Public Utilities Commission on a quarterly basis.

Mr. Ross explained that the Consultant Team is also proposing changes to their scope of work and budget for 2022 to reflect the rulings of the Public Utilities Commission and the Consultant Team is always open to constructive feedback for improving their services to the Council. The Consultant Team's billing changes will be implemented starting on April 1st once the Consultant team is able to adapt their internal systems. The Consultant Team will help leverage EM & V studies from other jurisdictions to support National Grid's EM & V work and drive efficiency.

Council Member AnderBois thanked Mr. Ross and the Consultant Team for the thorough presentation.

6. **Council Business (65 Minutes, 3:50 – 4:55pm)**

- a. *Updates, Discussion, & Potential Vote on Consultant Team Recommendations and/or Scope of Work (15 minutes, 3:50 - 4:05pm)*

Mr. Ross provided an informational update to the Council noting that Jesse Duroha has been hired as the inaugural Mike Guerard Energy Fellow, and that a new Consultant Team scope of work and budget has been developed and shared to reflect the rulings of the Public Utilities Commission.

Acting Chair Hubbard asked if the changes from the original scope of work could be presented in another way to make the differences clearer. Mr. Ross stated that he will provide a tracked changes version of the scope of work to the Council for additional review.

b. *Discussion & Potential Vote on Legal Services (10 minutes, 4:05 - 4:15pm)*

On the recommendation from legal counsel Desautel, all additional agenda items have been tabled until the March meeting.

c. *Discussion & Potential Vote on 2022 EERMC Budget (25 minutes, 4:15 - 4:40pm)*

Agenda item tabled until the March meeting.

d. *Discussion of Priorities for 2023 Energy Efficiency Annual Plan (15 minutes, 4:40 - 4:55pm)*

Agenda item tabled until the March meeting.

7. **Public Comment**

Agenda item 7 was tabled until the March meeting.

8. **Adjournment**

Acting Chair Hubbard adjourned the meeting at 3:57 p.m.

EXHIBIT 5



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

EERMC FULL COUNCIL MEETING MINUTES

Thursday, March 17, 2022

Full Council Meeting | 3:00 - 5:00 PM

Meeting conducted virtually using Zoom with additional audio conference capabilities

Members in Attendance: Commissioner Nick Ucci, Anthony Hubbard, Sue AnderBois, Peter Gill Case, Karen Verrengia, Joe Garlick, Tom Magliocchetti

Others Present: Steven Chybowski, Nathan Cleveland, Sam Ross, Angela Li, Adrian Caesar, Brett Feldman, Joe M., Craig Johnson, Jessica Darling, Nelson DiBiase, Josh Kessler, Diane Quesnelle, Hank Webster, Eric Belliveau, Pumee Rod, Greg Caggiano, Anika Kreckel, John Richards, Margaret Hogan, David Moreira, Ben Rivers

All meeting materials can be accessed here: <https://rieermc.ri.gov/meeting/eermc-meeting-march-2022/>.

1. Call to Order

Acting Chair Hubbard called the meeting to order at 3:04 p.m.

2. Legal Update on Council Procedures

Commissioner Ucci provided an update clarifying that the Council can discuss matters and hold public meetings without a quorum, but decisions and votes cannot be made. This is the protocol that we've followed in the past and was confirmed through conversations with the Council's legal counsel and the Attorney General's office.

Councilmember Gill Case asked for clarification as to what constitutes a quorum. Commissioner Ucci responded that a quorum is understood as a majority of those who are appointed as long as we are taking all necessary steps to fill vacant seats. We have provided the Governor with names for consideration and that process is underway.

Councilmember AnderBois asked for a timeline regarding the filling of vacant seats and if Councilors can get a copy of who is being recommended. Commissioner Ucci stated that it is our practice not to provide information on who has been recommended as it is a part of internal deliberation for the Governor, but thanked Councilmember AnderBois and all others for the suggestions for candidates they have provided. There is no timeline at this time, but there should be more information in the coming months.

3. Executive Director Report

Commissioner Ucci provided an update on the DRIVE EV Program which will provide electric vehicle rebates to consumers in Rhode Island with \$1.25 million in Office of Energy Resources (OER) funds. OER is contemplating additional incentives for income-qualified Rhode Islanders and the program has incentives for fleet purchases as well. OER is exploring opportunities to provide additional fleet incentives in the neighborhoods with the highest asthma rates as well in an effort to potentially also address health inequities. The program will be brought to the April Executive Climate Change Coordinating Council (EC4) meeting and the program will be open for public comment before being implemented.

Commissioner Ucci noted that there will also be three EC4 meetings on how the state measures and tracks its climate goals at the end of the month. More information on these events can be found at climatechange.ri.gov.

4. Meeting Minutes – January 20, 2022 and February 17, 2022

Councilmember Verrengia motioned to approve the January and February Meeting Minutes as written. Councilmember Garlick seconded. There was no discussion. All voted in favor with none opposed through a roll call vote. The motion passes and meeting minutes for both January and February 2022 are approved.

5. Acting Chairperson Report (items 1-4: 5 min, 3:05 - 3:10pm)

Acting Chair Hubbard gave updates, reminding Councilors of virtual meeting etiquette, summarized the agenda, and provided instructions for participants to make public comments.

6. Program Oversight (20 min, 3:10 – 3:30 p.m.)

- a) *Review results of 2021 Energy Efficiency Programs Q4 Report (20 minutes, 3:10 – 3:30 p.m.)*

Please refer to the [Consultant Team and National Grid Joint Presentation on 2021 Energy Efficiency Programs Q4 Report \(Revised 3-16-2022\)](#)

Mr. Caesar and Mr. Johnson of Optimal Energy presented on the fourth quarter results of the 2021 energy efficiency programs. Overall, there was strong performance on the electric market rate residential side, but underachievement on the income-eligible and commercial and industrial segments. There was a high amount of program activity between Q3 and Q4. On the gas side, the market rate residential performance was strong, but the income-eligible and commercial and industrial segments also underperformed. They each noted that 2021 performance exceeded 2020 program performance, which is a promising trend given relatively low achievement across the board in the COVID impacted 2020 program year.

Mr. Johnson stated that on the residential side, 3 out of 4 programs fell short of their goals. Mr. Caesar noted strong commercial performance on both gas and electric segments for the small business programs. Supply chain interruptions and equipment delays contributed to some of the missed goals and pre-stocking equipment may be able to help with some of the supply chain issues. Ms. Li of National Grid presented on residential program highlights which includes a Regional Greenhouse Gas Initiative moderate-income single-family weatherization offering in partnership with OER which has a lot of interest from customers. With multifamily programming, steps will be taken to make sure communications are reaching customers. With heating, ventilation, and air

conditioning programming, National Grid has launched updates with reporting, more virtual training offerings and a weekly newsletter for updates.

Mr. Kessler presented on the Commercial and industrial program highlights which includes a new construction four-pathway structure for that program, as well as the completion of 89 electric and 30 gas projects.

Mr. Rivers provided updates on grocer and small business programs. The grocer initiative failed to meet expectations, as there was turnover at the vendor, staffing shortages at customer locations and emphasis on supply chain issues from grocers. Throughout this, the vendor remained in contact with customers about next steps and the small business segment did very well, exceeding its goal on the electric side and achieving nearly 100 percent on gas side as well. There was expanded participation with minority business enterprises, and programming is off to a very strong start for 2022.

Mr. Johnson stated that most commitments made in the 2021 plan were completed and that the consultant team will be compiling a list of commitments made in the 2022 Energy Efficiency plan and tracking those.

7. Council Business (80 Minutes, 3:30 – 4:50 p.m.)

- a) *Review, Discussion, & Vote on Consultant Team Recommendations and 2022 Scope of Work (15 minutes, 3:30 - 3:45 p.m.)*

Please refer to the [Update on Recent PUC Rulings – Consultant Team Presentation](#)

Mr. Ross of Optimal Energy led the discussion of the Consultant Team's recommendations and proposed scope of work. He noted that the meeting materials were also shared at the February meeting. Mr. Ross provided a summary of the Public Utility Commission rulings and how the Consultant Team is planning to be responsive to the rulings. He also noted that the 2022 energy efficiency planning timeline meeting material will be provided at each Council meeting for easy reference by the Councilors. If any Councilors have legal questions regarding the PUC's rulings, the Council's legal Counsel is available to answer those questions, either in a one-on-one meeting or the consultant team can pass those along to her. Mr. Ross explained that the Consultant Team's proposed scope of work uses an adaptive approach, listing all possible areas of consultant work and allowing flexibility based on the priorities of the Council throughout the year. Acting Chair Hubbard shared comments and questions regarding the newly proposed scope of work and noted that his response is based on what he heard at the PUC hearings. Acting Chair Hubbard first noted that he has requested a tracked changes version of the scope of work so that he can gauge what is being lost or gained and asked if it is the expectation of the PUC that the Council renegotiate the 2022 scope of work.

Councilmember Verrengia would also appreciate a tracked changes version of the scope of work and requested that it be shared with the full Council.

Mr. Ross apologized for not sending the tracked changes scope of work sooner. Mr. Ross stated that the PUC's only formal ruling for the Council is the cap on the overall budget, and that he does not

believe that the PUC ruled that the Council must renegotiate the Consultant Team services. Mr. Ross noted that the 2022 Consultant Team budget is slightly higher than 2021.

Ms. Li of National Grid stated that she has seen that the Consultant Team has been doing more presentations at Council meetings than in the past and that the utility can take on more of that to alleviate the budget if needed.

Acting Chair Hubbard expressed concern about the notion of going back to the PUC for additional funding based on the tone of the PUC commissioners in their ruling and deliberations and wants to make sure whatever budget limit is set is both responsive to that conversation as well as ensuring that core Council business can be supported.

Commissioner Ucci stated that the Office of Energy Resources (OER) has reviewed and evaluated the proposed scope of work and that the PUC hearings were a good learning opportunity for different perspectives and insights on consultant services. He stated that OER cannot support the scope of work as is, as it doesn't reflect the overall tenor of the PUC hearings, though he does appreciate the changes that have been made so far. Commissioner Ucci noted that this scope of work represents approximately 80% of the EERMC budget and that there is no further refinement of subtasks to track hours for each subtask. He recommended that the Consultant Team hone in on the required items to support critical Council business, with everything else provided as a la carte service with specific budget numbers assigned to those additional work areas as a potential revision. Commissioner Ucci expressed that he does not think the scope of work does enough to reflect the concerns of the PUC, and a "not to exceed" amount could be put in place by the Council if needed to help refine the scope of work and budget for 2022.

Councilmember AnderBois is supportive of the scope of work as proposed from the Consultant Team. She stated that the increase in budget was reflective of the increased work being asked of the consultants with the contested energy efficiency case. She shared concern about reflecting the tone of the PUC hearings, but noted that this consultant team performs at a higher level than other consultants she has worked with and thinks there may be room for just cutting around the edges with the budget. She expressed that she sees energy efficiency work as under attack and that she gets a lot of value from the work of the Consultant Team.

Acting Chair Hubbard reiterated that his comments are not about the Consultant Team staff and their work products, but are a reflection based on the results of the PUC hearings.

Councilmember Verrengia agreed with Councilmember AnderBois and thanked her for recognizing the value of the Consultant Team work. Councilmember Verrengia stated that she feels fortunate to have this team behind us, but that she also agrees with Commissioner Ucci that the Council should try to free up more wiggle room in the budget and table the vote for another month as this proposal cuts the budget too close.

Councilmember Garlick agreed that we should hold off on this vote for another month.

Mr. Ross stated that he appreciates the feedback and that he didn't want to take anything out of the scope of work without the Councilors input, hence the adaptive approach they put forward in this document. He said that the Consultant Team will look to create space for additional flexibility and could adjust the top line budget.

Councilmember Verrengia agreed with Ms. Li's previous statement that the Consultant team has taken on more presentations from National Grid and that work may be able to be shifted to relieve the budget.

Commissioner Ucci also reiterated that his comments were not reflective of the work or staff of the Consultant Team, but that they are reflective of PUC hearings and that Commissioner Ucci is supportive of going out for an RFP for consulting services in this new paradigm.

Councilmember Verrengia motioned to table consideration of the 2022 scope of work for the Consultant Team until next month's meeting, pending revisions. Councilmember Garlick seconded the motion. All voted in favor with none opposed via a roll call vote. The motion was approved.

b) Discussion & Vote on Legal Services (15 minutes, 3:45 - 4:00 p.m.)

Mr. Cleveland began this conversation and noted that legal Counsel Desautel couldn't be here today because of a family emergency. Mr. Cleveland explained that the current legal services contract runs through the end of April 2022 and that there is the option in the current contract to renew legal services with Desautel Law for another 12 months at the same rates, or the Council can develop an RFP and bid for legal services for the remainder of 2022, noting that if the RFP option is chosen, current counsel is welcome to respond to the RFP.

Commissioner Ucci stated that he believes this, and the consultant services, can be approached in the same light. He stated that it's prudent this year to issue an RFP and use competitive pressures to ensure reasonable, competitive costs.

Councilmember Verrengia noted that the RFP process takes a while, and her immediate reaction is to continue with existing legal services as the current firm has history with the EERMC, but she does agree with Commissioner Ucci's thoughts that going out to bid could be a good idea, and asked about a procurement timeline.

Commissioner Ucci stated that procurements have been relatively streamlined and efficient, but that there would need to be consideration of extension of current services.

Commissioner Ucci stated that the process could be done by the summer and that current legal counsel could respond to the RFP.

Councilmember Gill Case spoke in favor of consistency and is supportive of current legal services. He said that the earth is moving under our feet and that legal services is relatively low in expenses compared to consultant services and that the reason the budget went up for legal services was due to the contested case.

Councilmember Garlick added that as one of the RFP reviewers, Ms. Desautel was by far the most responsive bidder, and she brought strong experience to the table.

Councilmember Verrengia motioned to authorize the Council's extension option under its existing contract and to extend services with Desautel Law for an additional 12 months with the same terms. Councilmember AnderBois seconded the motion. Councilmembers AnderBois, Garlick, Gill Case, Magglicchetti, and Verrengia voted in favor with Acting Chair Hubbard opposed via a roll call vote. The motion was approved.

c) Discussion & Vote on 2022 EERMC Budget and Review 2023 Budget Timeline (20 minutes, 4:00 – 4:20 p.m.)

Please refer to the [2022 EERMC Budget Proposal and 2023 EERMC Budget Planning Timeline](#)

Mr. Cleveland led the discussion on the proposed Council budget. The Council has just over one million dollars for a budget, and the proposed legal counsel budget for 2022 is lower than what was spent on legal services in 2021. The budget numbers are for calendar year 2022 and the approved January legal invoice was for approximately \$20,000.

Acting Chair Hubbard asked if only ~\$35,000 would be left for legal services for the remainder of the year.

Mr. Cleveland replied that yes, Acting Chair Hubbard is correct if the 2022 budget for legal services is approved as currently proposed.

Mr. Cleveland explained that the public education investment would be in line with the allocation of the past few years, and that once approved, OER can prepare RFPs for education opportunities as directed by the Council. In addition, the Council can seek free spaces for the EERMC retreat to keep costs low.

Councilmember Verrengia likes the budget the way it is, and asked if the Council were to approve the budget as is and things don't get spent as listed, would that tie the Council's hands?

Mr. Cleveland responded that if the Council wanted to move things after approving a budget, there would need to be a vote to adjust the budget.

Commissioner Ucci stated that it would be appropriate for there to be votes if one initiative is supported instead of another from the budget.

Councilmember Garlick shared that this agenda item could be postponed until the consultant services budget item is resolved.

Councilmember Verrengia stated that she believes that the PUC is okay with the education allocation.

Councilmember Gill Case, speaking as part of the education working group believes that the budget looks good and thinks it makes sense to wait to formalize it until the consultant services budget amount is finalized.

Mr. Cleveland clarified that the lecture series and videos from 2021 are not being paid by the 2022 budget, as those expenses were contracted for and will be aid from prior year funds. Ms. Li stated that she is in support of prioritizing tasks that increase net benefits.

Mr. Garlick agrees with the line-item budgets as listed and comments of previous Councilors.

Acting Chair Hubbard asked what other work the Council would like to see around k-12 education.

Mr. Cleveland responded that he believes the k-12 education is to fund additional trainings for teachers.

Acting Chair Hubbard asked if there are topics of environmental justice covered in the K-12 materials.

Councilmember Verrengia stated that she is a big supporter of this line item, and that the Council can include whatever requirements they might like to see from a vendor for future educational trainings, including environmental justice, as a new RFP hasn't gone out yet.

Councilmember Garlick motioned to table formal vote on the budget until next month with support indicated for the budget allocations as presented today, pending resolution of the Consultant Team's budgetary allocation. Councilmember Gill Case seconded. All voted in favor with none opposed via roll call vote. The motion was approved.

Mr. Chybowski then led a discussion about the proposed planning timeline for the 2023 EERMC budget, which must now be filed with the energy efficiency plan in the fall.

Ms. Li noted that the budget will need to be approved by August for it to be added to the plan filing which is due October 1st.

Councilmember Gill Case is supportive of an expedited budget approach and noted that the Council needs to know what to expect for expenses of the two primary contract services.

Commissioner Ucci stated that OER can bring a consultant services RFP draft to the April meeting to tie that to the 2023 budget planning.

Mr. Chybowski will adjust the 2023 budget planning timeline to plan for a final budget vote at an earlier Full Council meeting.

Mr. Belliveau of Optimal Energy noted that a target would make it easier for the Consultant Team to bring forward a proposal that is in line with expectations.

Acting Chair Hubbard and Councilmember Verrengia are supportive of discussing the 2023 budget and RFP at the next Executive Committee meeting.

Councilmember Gill Case stated that he assumes that all Councilors are taking advantage of 1 on 1s with Consultant Team, and that he is in favor of Councilors sharing priorities directly with the Consultant Team through those channels.

Acting Chair Hubbard, and Councilmembers AnderBois and Garlick expressed support with that plan.

d) Discussion of Priorities for 2023 Energy Efficiency Annual Plan (20 minutes, 4:20 – 4:40 p.m.)

The EERMC opted to table this agenda item until a future meeting and Acting Chair Hubbard noted that Councilmembers can provide their energy efficiency priorities directly to Optimal Energy if they have a one-on-one meeting with them.

e) Review Draft of 2022 EERMC Annual Report (10 minutes, 4:40 – 4:50 p.m.)

The EERMC opted to table this agenda item until a future meeting and Acting Chair Hubbard noted that the draft of the 2022 EERMC Annual Report is available as a meeting material. If Councilmembers have feedback that they would like to provide, they can share it directly with Optimal Energy if they have a one-on-one meeting with them.

8. Public Comment

Hank Webster, Acadia Center:

Mr. Webster spoke to provide an outside perspective on the value of the Consultant Team to energy efficiency in Rhode Island. He stated that the market potential study shows how much more energy efficiency could achieve, and that two years ago the systems benefit charge was threatened, and that this year the performance incentive mechanism and a scoop of the energy efficiency budget are being threatened. This past year had the first contested plan in the history of this program, and while Councilmembers and advocates asked for examples of savings opportunities beyond a five percent cap, the Consultant Team were ones to conduct a thorough review of the alternative energy efficiency plan. Mr. Webster believes that it would be an inopportune time with all the current changes to not have the Consultant Team and their advising to the Council and the State. Mr. Webster is concerned about a diminished role of the Consultant Team and values their independent presentations and evaluations of the annual energy efficiency plans.

9. Adjournment

Acting Chair Hubbard adjourned the meeting at 5:10 p.m.

EXHIBIT 6

2023 Budget Planning Timeline

- Based on conversations at the 2022 EE Plan hearings at the PUC, an approved EERMC budget should now be filed with the EE Plan in the fall
- Changing the planning process to occur over a longer time period, and in alignment with the plan approval process, allows for more input, discussion, and transparency into the areas in which EERMC spends its funds

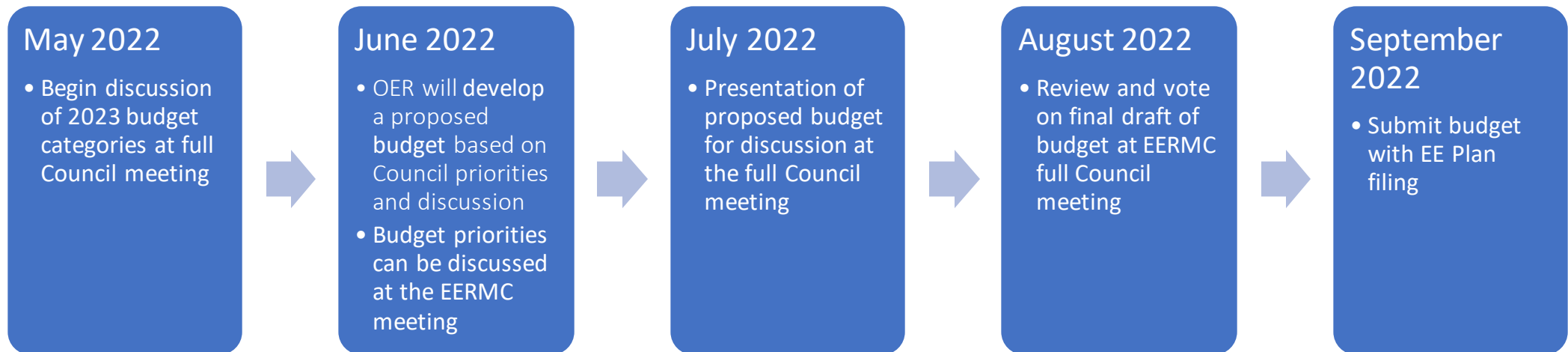


EXHIBIT 7

Memorandum

To: Energy Efficiency & Resource Management Council
From: Sam Ross, Optimal Energy
Date: April 27, 2022
Subject: Revised 2022 Scope of Work Content, Objectives, and Budget

I. Introduction

Optimal Energy, LLC. and its partners (collectively the Consultant Team or C-Team) appreciate the opportunity to continue serving the Rhode Island Energy Efficiency and Resources Management Council (EERMC or Council) with high quality policy and program consultant services. The Consultant Team provides the following revised Scope of Work (SOW) for its services to the EERMC in 2022 to be responsive to the rulings issued by the Rhode Island Public Utilities Commission (PUC) at its Open Meeting held on January 25, 2022, as well as input from the Council at the March EERMC meeting. This SOW, if accepted and approved by the Council, would serve to replace the SOW for 2022 approved by the Council at its meeting on December 9th, 2021¹. Furthermore, the associated budget would be inclusive of work completed and billed to-date. The revised SOW retains a clear focus on the key activities delivered in 2021 in service of the Council's statutory obligations, including program implementation oversight and program planning activities. We have developed this revised SOW with an emphasis on delivering the key activities at a similar budget to what was approved for 2021. During implementation of our work plan, coordination with other stakeholders, including the entity implementing energy efficiency programs, the Office of Energy Resources (OER), the Division of Public Utilities and Carriers (DPUC), among others, will be critical to align efforts; build consistent approaches to planning; streamline delivery; and foster effective collaboration and partnership as the clean energy industry enters a new phase of rapid evolution. The C-Team also recognizes the need to be efficient with how it represents the Council in all meetings and events covered in this SOW and is committed to an approach that aligns staffing levels with need.

The C-Team also understands that the prior organizational schema of how our work was billed was at times confusing. In our originally revised SOW that we shared with the Council at its February and March meetings², we committed to re-examining our invoice structure to further clarify our work streams and deliverables. This revised SOW reflects the outcomes of that process. The structure of the work plan now aligns with the organization of our invoices to reduce work area overlap. The revised organization is detailed in Section II of this document.

The primary changes reflected in this revised SOW compared to the originally approved SOW are as follows:

- Section II. 2022 Work Plan
 - Reorganized tasks and subtasks to clearly align with how work is conducted and will be billed
- Section III. Staffing and Budget
 - Overall Consultant Team budget has been reduced to \$659,529

¹ http://rieermc.ri.gov/wp-content/uploads/2021/12/2022-eermc-c-team-proposed-sow_2021.12.02.pdf

² http://rieermc.ri.gov/wp-content/uploads/2022/03/2022-eermc-c-team-revised-sow_2021.03.17.pdf

- Administrative rate of \$80/hour has been added to cover administrative work streams, which are described in more detail in Task 6 of the 2022 Work Plan
- Commitment to holding included rates constant for any extensions of existing contract
- Updated Organizational Chart
- Updated presentation of hours and budget table
- Confirmation that an intern candidate has been hired through the URI Energy Fellows Program as the EERMC's inaugural Mike Guerard Energy Fellow

Section II of this memo, 2022 Work Plan, summarizes the Consultant Team's work plan organized by task and subtask. Section III, Staffing and Budget, provides information on the Consultant Team's staffing and includes an estimate of the budget that would be necessary to support our proposed 2022 SOW.

II. 2022 Work Plan

As noted above, this section of our work plan showcases the improved organizational schema we have developed. The revised list of Tasks below reflects the prioritization of the EERMC's legislated responsibilities and obligations.

Task 1 – Energy Efficiency Program Planning and Implementation Oversight

Task 2 – System Reliability Procurement

Task 3 – Regulatory Proceedings

Task 4 – Council Sponsored Meetings and Materials

Task 5 – Research, Analysis, and Other Council Support

Task 6 - Administrative

Task 7 – EERMC Intern

To ensure clarity and transparency, we have organized our work plan with sub-tasks under several of the Tasks, which break out work streams that are relatively discrete from the overall Task. In the remainder of this section, we present the tasks and sub-tasks and describe associated responsibilities and deliverables.

Task 1 – Energy Efficiency Program Planning and Implementation Oversight

Task 1 includes activities necessary to meet the Council's fundamental objectives, which are to oversee the design and successful delivery of energy efficiency programs and services that maximize the resulting benefits for all Rhode Islanders. Our approach will ensure that the EERMC continues to achieve the clearly documented objectives for energy efficiency plan development and delivery codified by the PUC in the Least Cost Procurement (LCP) Standards, including detailed review of energy efficiency plans to ensure that proposed costs are reasonable and justified to assure cost-efficiency as well as cost-effectiveness. Our proposed work under Task 1, which is described in further detail below, is comprised of council representation, implementation oversight and plan development, and education initiatives.

Task 1.1 – Council Representation

Under Task 1, the C-Team will represent the Council at a variety of meetings related to program planning and oversight. First, the C-Team will represent the Council and participate along with other stakeholders at up to eight regularly scheduled Energy Efficiency TWG (EE TWG) meetings. Second, we propose to staff one C-Team member as an active listener in all Equity Working Group (EWG) proceedings in 2022 so that we may report back to the EERMC relevant updates associated with commitments made in the 2022 Annual Energy Efficiency Plan (2022 EE Plan). The C-Team plans to be a passive attendee at the quarterly EWG meetings (unless explicitly invited to participate in specific conversations) to ensure the original intent of the EWG, to bring new voices and perspective to energy efficiency program planning, is honored. Finally, the C-Team will represent the Council in all necessary meetings with the OER and National Grid to fully support EERMC-related activities and responsibilities, ensure all deliverables meet deadlines that allow for adequate Council review and feedback, and to prepare for upcoming Council meetings.

Task 1.2 – Implementation Oversight and Plan Development

Under this subtask, the C-Team will engage in a variety of activities that are at the core of ensuring energy efficiency programs are developed and implemented in a manner consistent with LCP and with the Council's and stakeholders' interests in mind. The activities include sector strategy and program oversight, evaluation, measurement and verification (EM&V), annual plan development, and stakeholder engagement.

With respect to the first work area, the sector strategy and program oversight team is primarily responsible for ensuring that the 2022 programs are delivered according to the PUC approved 2022 EE Plan. The C-Team uses a two-pronged approach which includes ongoing monthly data review and monthly strategy calls with National Grid, OER, and the DPUC at their discretion. On a monthly basis, the C-Team reviews raw program data received from National Grid and incorporates it into a monthly data report which it reviews and shares with National Grid, OER, and DPUC. In its review, the C-Team will flag areas of concern and needed improvement, and where appropriate make recommendations for optimizing and improving program performance. The C-Team also coordinates monthly sector strategy meetings for each of the Residential & Income Eligible and Commercial & Industrial sectors, for a total of twenty-four regularly scheduled meetings. Monthly meeting topics generally include, but are not limited to, review of 2022 EE Plan commitments, program performance data review, and special topics on an as-needed basis.

The second work area, EM&V, includes reviewing and providing technical feedback on in-progress studies as well as the scopes of work for upcoming studies. The C-Team meets with National Grid, OER, and DPUC, at their discretion, twice per month to check-in on these items, once each for the Residential & Income Eligible and Commercial & Industrial studies. On an as-needed basis, the C-Team will also hold or participate in meetings with study vendors to address any concerns identified in the review of study design and results materials. One of the key goals of the EM&V work stream is to ensure consistency of study development, review, and approval so that results of each study can be actionable and help in guiding annual plan development. Another key goal for the C-Team's EM&V efforts is to leverage studies from other jurisdictions that can be applied to Rhode Island in order to benefit from evaluation study results without incurring additional costs to ratepayers.

Third, to ensure the 2023 Annual Energy Efficiency Plan (2023 EE Plan) is developed in a manner consistent with LCP and reflects the Council's and other stakeholders' priorities, the C-Team will review and provide feedback on

all plan materials, including the main text and all attachments of the 2023 EE Plan narrative, benefit cost and rate and bill impact models, the Technical Reference Manual (TRM), as well as the 2023 EE Plan Outline Memo and Interim Updates. During plan development, the C-Team will meet regularly with the sector strategy groups between April and October, including a series of deep dive meetings on a variety of key topics crucial to the advancement of energy efficiency. The C-Team will also engage with National Grid, OER, and DPUC on other planning topics on an as-needed basis.

Finally, the C-Team will meet individually with active energy efficiency stakeholders on behalf of the Council on a regular or as-needed basis throughout the year to ensure their priorities and thoughts on program design and strategies are given due consideration in the development and implementation of annual energy efficiency plans.

Task 1.3 – Education Initiatives

To fulfill the Council’s legislated public education objectives, the C-Team proposes to support an array of EERMC education activities in 2022. The C-Team will continue to oversee, manage, and assist OER and/or National Grid in organization and promoting the following efforts:

- **Annual EERMC Public Forum and EERMC Energy Lecture Series:** These events are designed to promote public understanding and stakeholder dialog around key energy efficiency and related issues that impact Rhode Islanders today
- **EERMC Educational Video Series:** Currently under development, this collection of eleven short-format videos targets the general public and covers topics from understanding your utility bill to decarbonization, with specific tailoring to Rhode Island
- **Energy Training for K-12 Educators:** This work provides a Rhode Island-specific energy curriculum and training to K-12 teachers and students, including content on energy efficiency, renewables, climate science, energy justice, and public health
- **Energy Expo at the Rhode Island Home Show:** This effort ensures that energy is a focal point of this major show, allowing Rhode Islanders to connect face-to-face with local energy vendors who can help them learn about and implement clean energy measures in their homes
- **Combined Heat and Power (CHP) Public Meeting:** As one of the Council’s legislated mandates, this annual meeting gives CHP stakeholders the opportunity to provide feedback on the state’s CHP programs and policies and serves to inform CHP developers and potential customers of program details and updates

The C-Team will also continue to coordinate and facilitate the Education Working Group meetings and activities and will support any additional public education activities discussed and approved by the Council as part of its 2022 education budget.

Task 2 – System Reliability Procurement

Task 2 is focused on the Council’s responsibilities related to System Reliability Procurement (SRP). This work is related to, but separate from, the Council’s core work around energy efficiency program planning and

implementation oversight (see Task 1). This includes representing the Council at up to twelve SRP Technical Working Group (SRP TWG) meetings as well as providing technical support in the development and oversight of SRP Plans.

Task 2.1 – Council Representation

The C-Team will represent the Council and participate along with a number of core stakeholders at monthly SRP TWG meetings and other meetings as may be scheduled from time to time regarding SRP.

Task 2.2 – Plan Development and Oversight

The C-Team will continue its work supporting and overseeing implementation of the 2021-2023 SRP Plan. For 2022, the C-Team anticipates an increase in time required to support several important SRP developments anticipated for 2023. First, along with OER, the Consultant Team has initiated discussions related to benefit-cost methodologies for Non-Wires Alternatives (NWA) and Non-Pipes Alternatives (NPA) in 2021 which we anticipate building upon in 2022. Second, in fall 2021 National Grid committed to continuing to improve upon the analyses and models used to explore internally-sourced NWA solutions such as targeted efficiency, demand response, solar, and storage. This new work stream is anticipated to expand in 2022 as the collaborative effort to establish best-practice methodologies for such analyses hits its stride. Similarly, the development of the NPA program will accelerate in 2022, including the need to establish clear planning expectations to ensure that the program is fully developed on time for National Grid’s proposed 2023 deadline.

Task 3 – Regulatory Proceedings

Task 3 represents the C-Team’s focus on ensuring that the Council meets its statutory obligations with respect to the 2023 EE Plan filing and to make sure that the Council’s views are represented in all relevant regulatory proceedings. To achieve this, the C-Team will represent the Council at a variety of regulatory proceedings and develop and review relevant technical material, each of which is described in more detail below. The 2022 work plan anticipates a level of time and resources for regulatory proceedings that is similar to the support provided during 2021.

Task 3.1 – Council Representation

The C-Team will represent the Council at all relevant PUC technical sessions, hearings, and open meetings. For PUC technical sessions, the C-Team anticipates representing the Council in at least two pre-filing and two post-filing meetings. Such meetings are typically geared toward clarifying questions and discussions related to the intent and processes that result in filed materials (for pre-filing meetings) and review of said filed materials (for post-filing meetings). In addition, there have at times been technical sessions to engage in more detail with questions that arise during hearings. Once an EE Plan has been filed with the PUC, the PUC will conduct a series of hearings in which intervening parties may be cross-examined. As it has in years past, the C-Team plans to represent the Council during EE Plan hearings, up to and including providing direct testimony in front of the PUC. When not providing direct testimony, the C-Team will monitor the hearings and report back relevant information to the Council. Finally, between and at the conclusion of plan hearings, the PUC regularly holds open meetings where the Commissioners will discuss and potentially rule on certain aspects of the EE Plan. The C-Team will monitor these meetings and will report back any relevant conclusions to the Council.

Task 3.2 – Develop and Review Technical Materials

To support the Council in development and review of technical materials related to the 2023 EE Plan, the C-Team proposes four key work streams. First, in accordance with LCP Standards, the C-Team will conduct a detailed analysis on the proposed 2023 EE Plan to determine cost-effectiveness and will work with OER and the Council’s Attorney to submit a report on its findings to the PUC on behalf of the Council. Second, and only if necessary if the Council decides to not endorse the 2023 EE Plan, the C-Team will prepare a report that documents the Council’s reasons and will submit comments on behalf of the Council to the PUC for its consideration during plan proceedings. Third, the C-Team will coordinate with OER and the Council’s Attorney to review and respond to any information requests directed to the Council as part of the plan proceedings. Finally, the C-Team will track and review responses to information requests of other intervening parties where appropriate as it relates to Council interests.

Task 4 – Council Sponsored Meetings and Materials

Task 4 is centered around providing technical support for Council sponsored meetings. This includes appropriately staffing Council sponsored meetings, developing materials, and supporting other Council responsibilities.

Task 4.1 – Meeting Attendance

The C-Team will appropriately staff all Council sponsored meetings, including thirteen scheduled EERMC meetings, at least one meeting of the Executive Committee as required per Council by-laws, and up to two additional meetings to support Councilor education and engagement as they perform their assigned roles and responsibilities. In addition to staffing meetings, the C-Team will be prepared to present and provide input on critical topics and key points for Council deliberation.

Task 4.2 – Develop Materials

In advance of all Council sponsored meetings, the C-Team will work with the Council and OER to identify whether C-Team materials may be needed to support Councilors’ engagement with and understanding of meeting content, or to ensure the Council’s legislated objectives are met. The C-Team will then develop all required meeting materials and work with OER to ensure that materials are distributed to the Council and other meeting attendees in a timely manner in advance of each meeting. This task includes materials that are developed for the Council on a recurring basis, including monthly updates to the Council’s annual timeline, quarterly updates on program activities, and Technical Working Group activity updates.

Task 4.3 – Other Council Responsibilities

Beyond the items described in Tasks 4.1 and 4.2, the Council has some responsibilities that fall outside of the other Task areas described in more detail throughout this work plan. One of these responsibilities is the development of the statutorily required Annual Report to the General Assembly. The C-Team will coordinate with National Grid and OER to source and assemble the content of the Annual Report and will work with OER and the Council to ensure that the Annual Report is submitted in accordance with legislation. Further, this

subtask includes the C-Team's support for the CHP Annual Public Meeting. As required by legislation³, the EERMC is to gather stakeholders to discuss opportunities and strategies around CHP in Rhode Island. As it has done in years past, the C-Team will coordinate with OER and National Grid in scheduling and hosting the meeting on behalf of the EERMC.

Task 5 – Research, Analysis, and Other Council Support

The C-Team has been an early voice in many jurisdictions highlighting the imperative to work across areas of energy policy and programs that have historically existed in silos. The process of developing and managing plans that address the integration of cross-cutting solutions and approaches requires a team able to draw on experts across the spectrum of clean energy resources and policies. We will support Rhode Island's continuing leadership in the evolving energy landscape by applying our engagement in a range of jurisdictions on issues including workforce development, heating decarbonization, equity in efficiency programs, locational valuation, and distributed energy resources. Our proposed approach to this includes representing the Council in meetings with the General Assembly, Executive branch agencies, ISO-NE, the Avoided Energy Supply Cost Group, as well as regional initiatives coordinated by groups such as NEEP. The C-Team will pair this representation with subject matter research on an as needed basis as requested by the Council.

The C-Team believes that well-informed and educated Councilors is an integral component of the EERMC delivering on its stated mandates. To ensure this, the C-Team is available to brief each voting Councilor and the non-voting representative for delivered fuels individually or in small groups⁴, as directed. When requested or necessary, the C-Team will work to ensure that briefings are conducted as efficiently as possible and are focused on the Council's core deliverables. Given that there are several vacant seats on the Council that are expected to be filled in 2022, the C-Team also proposes to meet with, educate, and orient new Councilors to cover roles, responsibilities, and evolving efficiency issues.

Task 6 - Administrative

The C-Team proposes to add a billing rate of \$80 per hour to cover a variety of administrative work streams. The C-Team expects that these hours will be fairly minimal as they will be used only in instances where staff are needed in a non-technical capacity. The following work streams will be billed under the administrative rate:

- **Meeting coordination and logistics:** Event planning work such as venue research and booking, food and drink planning, and venue setup.
- **Council website:** The C-Team is in the process of transitioning many of the Council website responsibilities to OER. Any work in assisting in this transition and/or work that the C-Team continues to support based on future conversations with OER will be billed under this task.
- **Quarter Progress Reports:** Develop and provide the Council with quarterly written progress reports covering deliverables, activities, events, and any scope additions or revisions.

³ <http://webserver.rilin.state.ri.us/Statutes/title39/39-1/39-1-27.7.HTM>; see Section 6(iv)

⁴ The C-Team will ensure that a quorum is not met when meeting with small groups of Councilors.

Task 7 – EERMC Intern

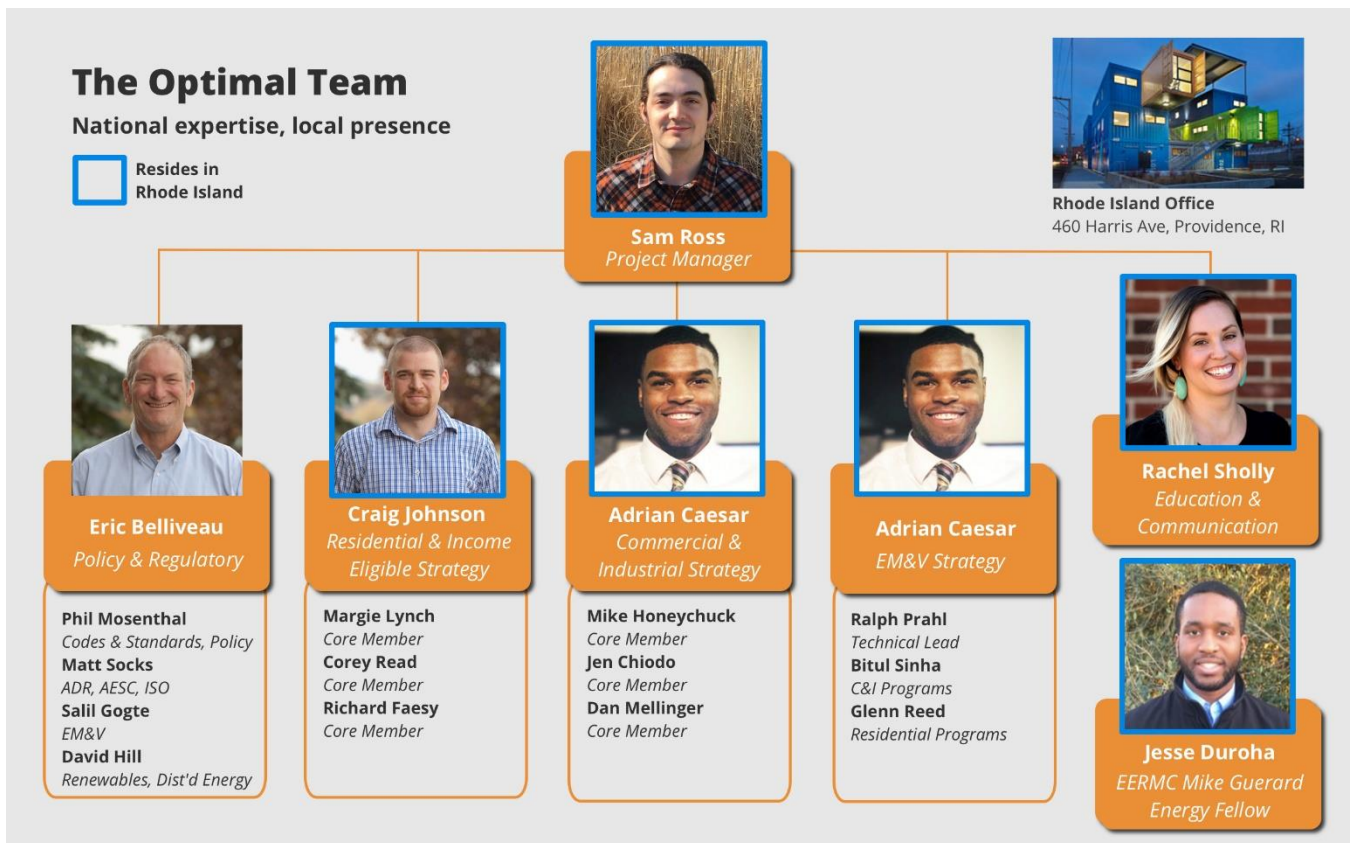
At its December 9, 2021 meeting, the Council approved the C-Team to engage an intern for the calendar year 2022 to fill the inaugural Mike Guerard Energy Fellow Internship. The internship provides workforce development opportunities for Rhode Island based college students. The intern will assist the EERMC and its C-Team in support of EERMC objectives and activities. For this year, we are working with Jesse Duroha, a PhD student from the University of Rhode Island (URI) through the URI Energy Fellow.

III. Staffing and Budget

The Consultant Team will fully and effectively deliver all elements of this SOW. Work assignments and roles will remain flexible to assure that the right staff, skillset, and availability are in place on all tasks, as well as to address evolving issues.

Organizational Chart

Our staffing plan balances a core of members with proven track records, institutional knowledge, and well-established relationships while also enhancing and expanding the team to assure that evolving challenges and needs are addressed⁵. We organize our team into five groups covering the core roles and areas of focus, as shown in our organizational chart below. While each member is only listed in their primary areas of concentration, many team members actively participate in multiple groups.



⁵ As in the past, Optimal may identify staff from our subcontractor firms and/or industry experts uniquely suited to support this scope of work, and will seek OER approval before adding resources not specifically named in the organizational chart.

Budget

The proposed hours are tied to our billing rates that were approved for use in our 2021 SOW for 2021-2022:

Staff Title	Billing Rate (\$/hour)
Project Manager	\$198
Principal-in-Charge/CEO	\$212
Managing & Senior Consultant	\$198
Consultant	\$186
Senior Engineer	\$160
Independent Consultant	\$155
Analyst	\$135
Administrative Rate ⁶	\$80
Interns	\$35

The C-Team also provides a list of rates by staff below. This list represents all known potential staff that the C-Team anticipates working on tasks included in this SOW. As noted in footnote 4, Optimal may identify additional staff from our subcontractor firms and/or industry experts uniquely suited to support this scope of work. The C-Team will share billing rates and seek approval from OER prior to adding these additional resources.

Firm	Staff	Title	Billing Rate (\$/hour)
Optimal Energy	Sam Ross	Project Manager	\$ 198.00
	Eric Belliveau	Principal-in-Charge	\$ 212.00
	Phil Mosenthal	Principal-in-Charge	\$ 212.00
	Matt Socks	Senior Consultant	\$ 198.00
	Cliff McDonald	Senior Consultant	\$ 198.00
	Craig Johnson	Consultant	\$ 186.00
	Adrian Caesar	Analyst	\$ 135.00
	Jesse Duroha	Intern	\$ 35.00
Energy Futures Group	Glenn Reed	Senior Consultant	\$ 198.00
	Richard Faesy	Senior Consultant	\$ 198.00
	Dan Mellinger	Senior Consultant	\$ 198.00
	David Hill	Senior Consultant	\$ 198.00
EcoMetric Consulting	Salil Gogte	Senior Consultant	\$ 198.00
	Mike Huneychuck	Managing Consultant	\$ 198.00
	Corey Read	Managing Consultant	\$ 198.00
	Bitul Sinha	Senior Engineer	\$ 160.00
JLC Consulting	Jen Chiodo	Managing Consultant	\$ 198.00

⁶ The administrative rate will be used by members of the Consultant Team for specific invoice entries that reflect administrative work streams. Unlike other rates in this table, it is the work stream rather than the staff member in question that defines when the rate will be applied.

⁶ The URI Energy Fellows program requires a minimum of 600 hours for internships, the EERMC Intern budget covers the costs for intern compensation, administrative support including fees to URI, and has the capacity to support incremental hours beyond this minimum amount.

Core Energy Insights	Margie Lynch	Consultant	\$ 186.00
Independent	Ralph Prah	Senior Consultant	\$ 198.00
Independent	Rachel Sholly	Independent Consultant	\$ 155.00

The Consultant Team commits to holding these rates constant for any future contract years for which the Council may choose to execute their contractual option to extend services under the current Rhode Island Policy and Program Consulting Agreement.

The table below represents the C-Team’s proposed hours and budget for the work contained in this SOW. The C-Team’s budget is on a time-and-materials basis with a not-to-exceed maximum of \$659,529⁷. If the C-Team is directed to conduct work that is considered out of scope, or that will lead to an overrun of the not-to-exceed amount, the C-Team will communicate this need and request Council approval before such work is started.

Tasks and Sub-Tasks	Total Hours	Total Cost
Task 1: Energy Efficiency Program Planning and Implementation Oversight	2,092	\$ 367,078
<i>Task 1.1: Council Representation</i>	154	\$ 29,280
<i>Task 1.2: Implementation Oversight and Plan Development</i>	1,748	\$ 308,348
<i>Task 1.3: Education Initiatives</i>	190	\$ 29,450
Task 2: System Reliability Procurement	96	\$ 19,008
<i>Task 2.1: Council Representation</i>	36	\$ 7,128
<i>Task 2.2: Plan Development and Oversight</i>	60	\$ 11,880
Task 3: Regulatory Proceedings	390	\$ 72,380
<i>Task 3.1: Council Representation</i>	94	\$ 17,862
<i>Task 3.2: Develop Technical Materials</i>	296	\$ 54,518
Task 4: Council Sponsored Meetings and Materials	564	\$ 99,099
<i>Task 4.1: Meeting Attendance</i>	187	\$ 33,598
<i>Task 4.2: Develop Technical Materials</i>	317	\$ 55,965
<i>Task 4.3: Other Council Responsibilities</i>	60	\$ 9,536
Task 5: Research, Analysis, and Other Council Support	346	\$ 66,044
Task 6: Administrative	74	\$ 5,920
Task 7: EERMC Intern	600	\$ 30,000
Total	4,162	\$ 659,529

Note: The Consultant Team only bills for hours actually worked up to the total approved budget.

⁷ The budget associated with this SOW does not include any external cost items (e.g. facility and catering costs for EERMC-sponsored events). Should the C-Team be required to cover such costs, it will coordinate with OER before incurring expenses. Pending OER’s approval, the C-Team will submit receipts and request reimbursement for such costs in its monthly invoice.

EXHIBIT 8



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EERMC FULL COUNCIL MEETING MINUTES

Wednesday, April 27, 2022

Full Council Meeting | 4:30 - 6:30 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom

Members in Attendance: Anthony Hubbard, Sue AnderBois, Peter Gill Case, Karen Verrengia, Joe Garlick, Tom Maggliochetti

Others in Attendance: John Richards, Nathan Cleveland, Jesse Duroha, Sam Ross, Steven Chybowski, Brett Feldman, Nelson DiBiase, Craig Johnson, Rachel Sholly, Adrian Caesar, Eric Belliveau, Jessica Darling, Josh Kessler, Anika Kreckel, Kai Salem, Hank Webster, Amy Boyd, Angela Li, Ben Rivers, Greg Caggiano, Kate Grant

All meeting materials can be accessed at: <https://rieermc.ri.gov/meeting/eermc-meeting-april-2022/>

1. Call to Order

Acting Chair Hubbard called to order at 4:43 p.m.

2. Executive Director Report

Mr. Chybowski provided the Executive Director report in place of Commissioner Ucci. He shared that the Office of Energy Resources (OER) is drafting a Consultant Services RFP that will be available for review at the next meeting.

He noted for everyone that the Executive Climate Change Coordinating Council (EC4) will have three sharing sessions in May on the transportation sector to help determine how to meet the 2021 Act on Climate (AoC) goals and that those interested can go to climatechange.ri.gov for more details.

All Council members should have recently received a copy of the 2021 reconciliation of all EERMC payments made by National Grid on the Council's behalf.

Lastly, Mr. Chybowski noted that the DRIVE-EV rebate program is now open for public comment online, and OER plans to launch it this summer to provide incentives for the purchase or lease of new or used EVs. Those interested in more details or to make a public comment can visit drive.ri.gov.

3. Meeting Minutes – March 17, 2022

Mr. Garlick made a motion to approve the March 2022 meeting minutes as written, which was seconded by Ms. AnderBois. All voted to approve.

4. Acting Chairperson Report (5 min, 4:35 - 4:40 p.m.)

Acting Chair Hubbard reviewed the agenda for today's meeting, reminded everyone about the logistics of operating in a hybrid public meeting, and provided instructions for public comment for both those attending online and in person.

Acting Chair Hubbard closed his remarks by announcing that at the conclusion of today's meeting he would be stepping down from his position on the Council. He stated that while he has enjoyed his service on the Council immensely, his growing work commitments have made continued, fully representative service impossible and so after much long and careful consideration he has decided to step down. This will ensure someone can be appointed to serve the income-eligible sector with the time to dedicate to representing that important demographic.

Acting Chair Hubbard was thanked for his service and leadership by Councilmembers and attendees of the meeting.

5. Program Oversight (5 Minutes, 4:40 – 4:45 p.m.)

a) Review 2023 Energy Efficiency Plan Development Process (5 minutes, 4:40-4:45 p.m.)

Mr. Johnson provided some brief updates on upcoming work for 2023 Energy Efficiency planning, which includes scheduling deep dive meetings for each sector, as well as cross-sector work like workforce development and equity. He also noted that the Plan Outline Memo for the 2023 EE plan will be coming in June, followed by the first draft of the 2023 EE plan in July from the National Grid.

Ms. Sholly quickly reviewed the results of the Councilor survey and presented potential options for Councilor retreats in 2022:

Option 1 – A half-day retreat in late May and another in early November

Option 2 – a half-day retreat in late May and another in early August

Mr. Gill Case indicated his preference for option 1; Ms. AnderBois agreed and there were no objections from others about pursuing the retreat timing laid out in option 1.

6. Council Business (75 Minutes, 4:45 – 6:00 p.m.)

a) Review and Potential Vote on Consultant Team Revised Scope of Work and Budget (15 minutes, 4:45-5:00 p.m.)

Please refer to the [Updated Consultant Team Scope of Work \(Revised\)](#).

Mr. Ross reviewed the memo discussing the 2022 scope of work (SOW) and budget for the consultant team and highlighted the changes in this SOW compared to the prior version. Those changes include reorganized tasks and subtasks to clearly align with how work is conducted and will be billed and a reduction of the overall budget down to \$659,529 for calendar 2022.

Mr. Ross then reviewed the new work plan structure, containing 7 tasks reoriented around key work areas for the consultant team, which are:

Energy Efficiency Program Planning and Implementation Oversight

System Reliability Procurement

Regulatory Proceedings

Council Sponsored Meetings and Materials

Research, Analysis, and other Council Support

Administrative

EERMC Intern

Mr. Gill Case requested that Chairperson be cc'd on each invoice when it comes into the Office of Energy Resources (OER) for payment, from all vendors. He noted that the Council and OER are two different entities and so someone on the Council should have visibility into the invoicing process.

Mr. Ross noted two additional minor changes from prior scopes of work, which are that the consultant team will not be taking meeting minutes and that they are also transitioning some website-related maintenance and update tasks to OER.

Ms. Verrengia asked if the EERMC Intern was fully supporting Council work tasks or if they would be supporting Optimal Energy broadly.

Mr. Ross made clear that the inaugural Mike Guerard Energy Fellow would be exclusively supporting Council business and that Mr. Duroha, the 2022 Fellow, was part of the URI Energy Fellow program.

Mr. Garlick made a motion to approve the modified 2022 scope of work for the Consultant team, led by Optimal Energy, and the associated budget for that scope of work as presented at the April 27th, 2022 Council Meeting. Further to direct the Office of Energy Resources to incorporate this approved scope of work and budget into the current consultant services contract. Ms. Verrengia seconded the motion, and all voted to approve.

b) Review and Vote on 2022 EERMC Budget (10 minutes, 5:00-5:10 p.m.)

Please refer to the [2022 EERMC Budget Proposal](#).

Mr. Chybowski reviewed the 2022 Council budget proposal, noting the significant change from last month is the new, lower consultant team budget that was just approved

Ms. Verrengia asked if the Council should allocate some money, perhaps within the education budget, towards some website improvements and Council branding work in 2022.

Mr. Gil Case suggested adding an additional \$20,000 to the legal budget from unallocated funds to ensure that the Council has enough to cover legal expenses should another contested case arise.

Mr. Feldman wanted to clarify that all the proposals being made are for calendar-year 2022 work using 2022 income, which Mr. Cleveland confirmed is the case.

Ms. Sholly noted that the last time annual reports were printed in 2020, the cost was approximately \$1,500 for 100 reports, and asked if that line item should be increased.

Ms. Verrengia suggested increasing the allocation to \$2,000 and Mr. Gill Case proposed increasing it to \$3,000, noting that budgeting that amount allows us to cover those expenses but does not commit us to spending that full amount.

Mr. Gill Case made a motion to adopt the 2022 EERMC budget as presented by the Office of Energy Resources (OER) on April 27th, 2022, with the following amendments: to allocate an additional \$20,000 to legal services from the unallocated funds and to allocate an additional \$2,000 to annual report printing from unallocated, and to further direct OER to continue providing regular updates on Council spending throughout the year. Ms. AnderBois seconded the motion, and all voted to approve.

c) Discussion and Potential Vote on Priorities for 2023 Energy Efficiency Annual Plan (20 minutes, 5:10-5:30 p.m.)

Please refer to the [Consultant Team EERMC 2023 Plan Priorities Presentation](#).

Mr. Johnson reviewed the reasoning for why the Council develops priorities for the upcoming energy efficiency plan and outlined the suggested priorities for the 2023 plan.

Mr. Ross highlighted that the process to collect stakeholder priorities, including the Council's, is different this year as National Grid issued a survey to stakeholders instead of having stakeholders present at a Technical Working Group (TWG) meeting as in the past.

Mr. Garlick indicated that he is hoping that these forthcoming non-participant and multi-family studies will help broaden National Grid's equity focus beyond workforce-related equity.

Mr. Ross then reviewed recommended priorities for System Reliability Procurement (SRP), noting the emphasis on robust methodological development to programs and screening tools.

Mr. Gill Case asked if the Council could add something that is explicit about addressing climate as a priority.

Ms. AnderBois stated that she also felt we should incorporate climate as a priority, using it not only as a lens as we review plans but also because energy efficiency is a foundation to meeting the 2021 Act on Climate goals and we need to be supportive of it and sufficiently aggressive enough with our efforts in order to reach those mandates.

Mr. Feldman asked about the timing of the potential study update.

Mr. Ross replied that with budget approval for that work just coming today, the consultant team will now start to discuss and engage stakeholders and begin that procurement process, with an aim towards getting a vendor onboarded such that their output can serve as a reference for the next target setting process and upcoming planning cycles.

Mr. Gill Case made a motion to adopt the Priorities for the 2023 Energy Efficiency Annual Plan as presented by the Consultant team, led by Optimal Energy, on April 27th, 2022, with the following amendment: to add consideration of climate goals, particularly the 2021 Act on Climate, as a part of the Council priorities going forward. Ms. Verrengia seconded the motion, and all voted to approve.

d) Review and Potential Vote on Draft of 2022 EERMC Annual Report (10 minutes, 5:30-5:40 p.m.)

Please refer to the [Consultant Team 2022 EERMC Annual Report Presentation \(Revised\)](#).

Ms. Sholly reviewed the draft of the 2022 EERMC Annual Report, highlighting what is still needed to finalize the document. She also noted that some substantive feedback from several council members had recently been received about areas to enhance and add to the report that improve narrative around EERMC activity, priorities, and positions. She then reviewed the timeline for finalization of the report ahead of the May meeting.

Ms. AnderBois noted that she was one of the people providing recommendations recently and felt that the policy recommendations could use some additions.

Mr. Gill Case suggested that the Council might have one additional meeting, perhaps as a one-off task force meeting, to provide additional feedback on the report before the next full Council meeting. Mr. Gill Case and Ms. AnderBois volunteered to be a part of that meeting and the consultant team indicated they would connect with all Councilors to ensure all who want to participate in that conversation are able.

Ms. AnderBois asked if this additional meeting could this go through the education working group, rather than a new sub-committee.

Acting Chair Hubbard asked about virtual participation of Council members at this annual report meeting and if no votes are being taken, would that be allowed?

Mr. Cleveland responded by first deferring to legal counsel for a formal position, but indicated that his understanding is that listen-only attendance would be allowed by a Council member at that meeting so long as open meeting act requirements followed.

Ms. Sholly noted that she would follow up with counsel to confirm before scheduling.

e) Review and Potential Vote on 2022 Lecture Series and Public Forum Request for Proposals (10 minutes, 5:40-5:50 p.m.)

Please refer to the [2022 Lecture Series and Public Forum RFP \(Draft\)](#).

Ms. Sholly recapped the past work that has been completed in putting together the public forum and lecture series as well as the energy-focused K-12 educator training. She noted that the Council is looking to do that work again in 2022 and that requests for proposals (RFPs) have been drafted, with some revisions, to provide additional clarity to respondents and review committee around expectations of Council for this work.

Acting Chair Hubbard asked if the education committee had reviewed the RFPs already.

Ms. Sholly indicated that they had also recommended these items as specific inclusions in the budget that was approved earlier in the meeting.

Acting Chair Hubbard made a motion to approve the 2022 Lecture Series and Public Forum RFP as presented by the Consultant team, on April 27th, 2022, and to direct the Office of Energy Resources (OER) to issue the request for proposals. Ms. AnderBois seconded the motion, and all voted to approve.

f) Review and Potential Vote on 2022 K-12 Education Request for Proposals (10 minutes, 5:50-6:00 p.m.)

Please refer to the [2022 K-12 Education RFP \(Draft\)](#).

Ms. AnderBois made a motion to approve the 2022 K-12 Education Request for Proposals RFP as presented by the Consultant team, on April 27th, 2022, and to direct the Office of Energy Resources (OER) to issue the request for proposals. Acting Chair Hubbard seconded the motion.

Mr. Garlick asked if the training offered is restricted to schoolteachers. He indicated that he would like to make sure this is open to after-school programs/community organizations and other educators outside just schools.

Ms. Sholly indicated that while titled and focused on K-12 educators, the trainings are indeed open to all types of educators.

Ms. Verrengia had concerns about language in the RFP, specifically around “enhancements from GBRI” as it relates to the curriculum being used to conduct the trainings. She noted that she is not sure what those enhancements are and is a little wary of including that language mandating that version of the curriculum be used in future trainings.

Ms. AnderBois modified her motion, to include an amendment stating that the RFP be modified to not restrict curriculum being used by winning bidder to the GBRI curriculum. Mr. Gill Case seconded the modified motion, and all voted to approve.

7. Special Topics (25 Minutes, 6:00 – 6:25 p.m.)

a) Acadia Center Presentation on the RESPECT Proposal (25 minutes, 6:00pm – 6:25p.m.)

Ms. Boyd from the Acadia Center walked through their policy idea about reforming the existing energy regulatory framework into a new model, Reforming Energy System Planning for Equity and Climate Transformation (RESPECT), to better align system planning with climate and equity goals. Their research into regulatory systems led them to believe that this system was no longer working in concert with broader climate goals – utilities are charged with the three key functions of planning, owning, and serving – which gives them lots of power and planning and owning are often in conflict.

Therefore, Ms. Boyd noted that the Acadia Center feels that utility planning, as currently structured, is insufficient to meet the climate challenge given inherent conflicts in the current model. She stated that this flawed system leads to real, negative impacts in communities as a result as the incentives are aligned for siloed and not holistic, solutions.

Ms. Boyd indicated that their RESPECT framework proposes two key reforms to solve this power imbalance and conflicts of interest.

1. Conduct “all in” energy system planning considering all resources, as well as climate and equity impacts; and
2. Create statewide planning entities that can look for solutions beyond utility boundaries and take that function off the plate of utilities, eliminating one conflicting of interest between planning and owning – their proposal splits planning, owning, and serving functions across three distinct entities.

Ms. Boyd stated that as a result of this systemic reimagining, holistic solutions are identified and informed by community input, which are procured competitively and address comprehensive needs all in one package as opposed to siloed, individual investments. Owning entities can meet this comprehensive need and get new business opportunities and create jobs. The serving entity can then serve the area more efficiently and lower their costs.

Ms. Verrengia stated that she liked a lot of these ideas and asked if the Acadia presentation is educational or is there a specific ask of the Council. She also asked what the plan is to bring these ideas to Rhode Island.

Ms. Boyd responded that this presentation is part of Acadia's education roadshow getting this idea and framework out there and indicated that Mr. Webster will be leading the efforts here in Rhode Island on this policy idea.

Mr. Feldman noted that it can be hard to decouple planning from operation entirely, and that safety and reliability issues in particular need to be considered.

8. Public Comment

Hank Webster, Acadia Center

Mr. Webster stated that he and the Acadia Center appreciate including climate as a priority for energy efficiency by the EERMC. He would encourage the Council to be bold with their recommendations, as advocates can use those in other forums to advance these broader goals.

He also flagged for everyone that the electrification of heating and cooling is a big topic and that the June EC4 sharing sessions are all about the decarbonization of buildings. Having a strong climate recommendation from the EERMC that the Acadia Center could refer to would be very useful there as well.

Lastly, he noted that Washington State just passed a new building code that will require all electric buildings and asked, if they can do that there, why not here in Rhode Island as well?

9. Adjournment

Acting Chair Hubbard adjourned the meeting at 6:35 p.m.

EXHIBIT 9

DRAFT EERMC 2022 Budget - Proposed 4.27.2022

Income			Notes	2021 Amounts for Comparison	
				2021 Income	
	SBC - Electric (2022)	\$ 766,245	2022 approved amount	\$738,505.00	
	SBC - Gas (2022)	\$ 259,518	2022 approved amount	\$275,067.00	
	TOTAL INCOME	\$ 1,025,763		\$1,013,572.00	

Budgetary Allocations		Budget	Notes	Budgeted	Expected Year-End Or Guaranteed Contract Amounts
		CY 2022		CY 2021	CY 2021
	Consultant Services	\$ 659,529.00	Value is from the Consultant Team's Updated April 2022 Scope of Work	\$ 631,263.00	\$ 724,683.90
	Legal Counsel	\$ 55,000.00	Increased due to higher than expected workload in 2021 and Council prioritization	\$ 29,400.00	\$ 60,671.80
	Annual Report Printing & Distribution	\$ 1,000.00	Did not Print Annual Reports given everything was fully remote in 2020/early 2021 but anticipate printing and distribution again in 2022	\$ 1,250.00	\$ -
	Council Travel	\$ 400.00	With in person meetings now required, appropriate to budget for this line item in 2022	\$ -	\$ -
	Public Education	\$ 100,000.00	In 2021 this included funding a Farm Energy Fellow, the EERMC Public Education Event and Energy Lecture Series, K-12 Energy Education, and the creation of energy education videos. For 2022 the Council has already conditionally approved a Farm Energy Fellow at \$7,500.	\$ 87,500.00	\$ 123,640.00
	2022 Farm Energy Fellow	\$ 7,500.00		\$ 7,500.00	\$ 7,500.00
	Public Forum & Lecture Series	\$ 22,500.00		\$ 29,000.00	\$ 30,000.00
	K-12 Energy Education	\$ 40,000.00		\$ 45,000.00	\$ 44,890.00
	Energy Education Videos	\$ -		\$ 6,000.00	\$ 41,250.00
	Future Potential Study Savings	\$ -	Saving for future expenses is no longer allowed	\$ 100,000.00	\$ 100,000.00
	2022 Energy Expo	\$ -	Paid 2020 Sponsorship amount has been rolled over to 2022 due to 2020 & 2021's Expo being cancelled	\$ -	\$ -
	EERMC Retreat(s)	\$ 500.00	Expecting to keep allocated amount consistent with 2021. Hosting 2 in person retreats, compared to 1 in 2021. Opportunities for cost savings, including waived/discounted venue rentals will be pursued	\$ 500.00	\$ 650.00
	EERMC Website	\$ 350.00	Expected to be the same billed amount as in 2021	\$ 350.00	\$ 350.00
	Potential Study Data Refresh	\$ 45,000.00	Vendor to update the second 3 years (2024-2026) of data from the Market Potential Study	\$ -	\$ -
	Total Allocations	\$ 861,779.00		\$ 850,263.00	\$ 1,009,995.70
	Unallocated	\$ 163,984.00			

NOTES:
Line 10, Consultant Services was originally approved by the Council in December 2021 at \$922,976

EXHIBIT 10

EXHIBIT 11



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EERMC FULL COUNCIL MEETING MINUTES

Thursday, August 18, 2022

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom.

Members in Attendance: Peter Gill Case, Sue AnderBois, Brett Feldman, Tom Magliocchetti, Harry Oakley, Kate Grant, Tom Garlick, Bob Izzo, Kurt Teichert, Chris Kearns

Others in Attendance: Steven Chybowski, Adrian Caesar, Craig Johnson, Marisa Desautel, Nelson DiBiase, Sarah Barraco, Michael O'Brien Crayne, Josh Kessler, Angela Li, Sam Ross, Hank Webster, Kathryn Cleary, Mary Spruill, Karen Bradbury, Rachel Pinnons, Karen Verrengia, Jeremy Newberger

All meeting materials can be accessed at <https://rieermc.ri.gov/meeting/2773/>.

1. Call to Order

Chairperson Oakley called the meeting to order at 3:03 p.m.

2. Chair Report

Chairperson Oakley provided an overview of the meeting agenda, listed materials available online that will not be discussed at today's meeting, and provided instructions for making public comments. He also noted the correct dates for the September Council meetings which will be September 22nd and 29th.

3. Executive Director Report

Interim Commissioner Kearns updated the Council on a new Regional Greenhouse Gas Initiative (RGGI) allocation proposal that is available for public comment, noted that the Office of Energy Resources' high-efficiency heat pump program proposal is still available for public comments, and asked Council Members to start thinking about candidates for the remaining Council seat vacancies.

4. Meeting Minutes - [July 28, 2022](#)

Council Member Teichert motioned to approve the July meeting minutes. Council Member AnderBois seconded. All in favor, none opposed.

5. Program Oversight (60 Minutes, 3:10 - 4:10 p.m.)

- a. [Presentation of 2022 Q2 Energy Efficiency Programming](#) (15 minutes, 3:10 - 3:25 p.m.)

Mr. Caesar and Mr. Johnson of the Council's Consultant Team presented on the 2022 energy efficiency programming for the second quarter of the year. Ms. Li of Rhode Island Energy presented on equity updates and metrics that have been tracked to date in 2022. Mr. Johnson and Mr. Ross of the Consultant Team provided their takeaways on the equity commitments from the Company.

b. [Rhode Island Energy Presentation on Updates to the 2023 Energy Efficiency Program Plan](#) (15 minutes, 3:25 – 3:40 p.m.)

Council Member Feldman presented on updates to the 2023 Energy Efficiency Program Plan and responses to feedback on the initial plan draft. The presentation focused on five major themes based on the comments received on the initial plan draft. Vice Chair Gill Case noted that the non-incentive costs were particularly high and that he requests that Rhode Island Energy further study these costs.

c. [Consultant Team Presentation on Updates to the 2023 Energy Efficiency Program Plan](#) (15 minutes, 3:40 – 3:55 p.m.)

Mr. Ross of the Council's Consultant Team presented on their takeaways on the progress and updates to the 2023 Energy Efficiency Program Plan. Mr. Ross expressed his appreciation for the Company's collaboration on the plan development process and noted areas for additional review and development. Mr. Caesar presented on commercial and industrial sector programming and Mr. Johnson presented on residential sector programming.

d. *Council Discussion on Program Oversight* (15 minutes, 3:55 – 4:10 p.m.)

Council Members discussed clarifying questions of the program oversight presentations, shared their thoughts on the Company's cost assumptions and projections, and what they would like to see for equity metric tracking. Council Members noted the increased planning and administrative costs for 2023, partly due to a reliance on outside consultants, and the need for increased staff within the Company for energy efficiency programming to reduce administrative costs.

6. Council Business (45 minutes, 4:10 – 4:55 p.m.)

a. [Discussion and Vote on 2022 K-12 Energy Curriculum RFP Proposals](#) (10 minutes, 4:10 – 4:20 p.m.)

The Technical Review Committee, comprised of Vice Chair Gill Case, Council Member Garlick, and Council Member Izzo shared the results of their scoring for the K-12 energy curriculum services and the Committee's recommendation to select the Green Buildings Research Institute for the Council's K-12 energy curriculum training services. Council Member Teichert motioned to approve the Technical Review Committee's recommendation to select GBRI to conduct the K-12 curriculum training work, as described in the proposal plan and to direct OER to work with legal counsel to draft a contract for the described services. Council Member AnderBois seconded. All in favor, none opposed.

b. [Discussion and Vote on 2022 Public Forum and Lecture Series RFP Proposals](#) (10 minutes, 4:20 – 4:30 p.m.)

The Technical Review Committee, comprised of Vice Chair Gill Case, Council Member Garlick, and Council Member Izzo shared the results of their scoring for the 2022 Public Forum and Lecture Series services and the Committee's recommendation to select the University of Rhode Island's (URI) Extension Services

for the Council's public forum and lecture series services. Council Member Teichert motioned that the contract be awarded according to the Technical Review Committee's recommendation for URI to conduct the public forum and lecture series work as described in the submitted proposal and to direct OER to work with legal counsel to draft the contract for the described services, and to allocate an additional \$2,524.14 of unallocated Public Education funds to the series budget. Council Member AnderBois seconded. All in favor, none opposed.

c. *Discussion and Vote on Council Branding and Communications Development (10 minutes, 4:30 – 4:40 p.m.)*

The Council discussed the process for moving forward with the Council Branding and Communications Development request for proposals (RFP). Council Member Teichert motioned that from the unallocated funds from 2022, the Council proceeds with a branding and communications initiative and directs OER to draft an RFP for branding and communication services based on the guidelines outlined by the EERMC and the Council's Consultant Team's 2023 budget proposal memo. Council Member AnderBois seconded. All in favor, none opposed.

d. *Presentation on the Open Meetings Act (15 minutes, 4:40 – 4:55 p.m.)*

Chair Oakley held this agenda item for a future Council meeting due to time constraints.

7. Public Comment

None.

8. Adjournment

Council Member AnderBois motioned to adjourn the meeting. Vice Chair Gill Case seconded. Chair Oakley adjourned the meeting at 5:01 p.m.

EXHIBIT 12

2023 Budget Planning Timeline

- Based on conversations at the 2022 EE Plan hearings at the PUC, an approved EERMC budget should now be filed with the EE Plan in the fall
- Changing the planning process to occur over a longer time period, and in alignment with the plan approval process, allows for more input, discussion, and transparency into the areas in which EERMC spends its funds



EXHIBIT 13



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EXECUTIVE COMMITTEE MEETING MINUTES

Wednesday, April 27, 2022 | 3:30 - 4:30 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/visual participation available through Zoom.

Members in Attendance: Peter Gill Case, Anthony Hubbard, Karen Verrengia

Others in attendance: Nathan Cleveland, Steven Chybowski, Anika Kreckel, Sam Ross, Marisa Desautel, Brett Feldman, Hank Webster, Joe Garlick (joined at 4:10 pm)

1. Call to Order

The meeting was called to order at 3:36pm

2. Acting Chair Announcements

Acting Chair Hubbard reviewed the agenda for today's meeting, reminded everyone about the logistics of operating in a hybrid public meeting, and provided instructions for public comment for both those online and in person.

Acting Chair Hubbard closed his remarks by announcing that at the conclusion of today's meeting he would be stepping down from his position on the Council. He stated that while he has enjoyed his service on the Council immensely, his growing work commitments have made continued, fully representative service impossible and so after much long and careful consideration he has decided to step down. This will ensure someone can be appointed to serve the income-eligible sector with the time to dedicate to representing that important demographic.

Acting Chair Hubbard was thanked for his service and leadership by Council Members and attendees of the meeting.

3. Executive Committee Meeting Minutes – January 2022

Mr. Gill Case made a motion to approve the January 2022 Executive Committee meeting minutes as written. Ms. Verrengia seconded the motion, and all voted to approve.

4. Executive Director Report (5 min, 3:40 - 3:45pm)

Mr. Chybowski provided the Executive Director report in place of Commissioner Ucci. He shared that the Office of Energy Resources (OER) is drafting a Consultant Services RFP that will be available for review at the next meeting.

He noted for everyone that the Executive Climate Change Coordinating Council (EC4) will have three sharing sessions in May on the transportation sector to help determine how to meet Act on Climate (AoC) goals and that those interested can go to climatechange.ri.gov for more details.

All Council Members should have recently received a copy of the 2021 reconciliation of all EERMC payments made by National Grid on the Council's behalf.

Mr. Chybowski noted that the DRIVE-EV rebate program is now open for public comment online, and OER plans to launch it this summer to provide incentives for purchase or lease of new or used EVs. Those interested in more details or to make a public comment can visit drive.ri.gov.

Lastly, on behalf of Commissioner Ucci and the Office of Energy Resources, he thanked Acting Chair Hubbard for his years of service to the Council and for his leadership.

5. Council Business (40 min 3:45 - 4:25)

a) Executive Committee Discussion of 2022 Council Activities (15 min, 3:45 – 4:00 p.m.)

Mr. Gill Case stated that the last few months were difficult. He felt that the Council was presented an energy efficiency plan that the Council felt it couldn't endorse, in part because of process concerns, and therefore made a difficult decision to not endorse the plan.

Mr. Gill Case commented that energy efficiency is one of, if not the most, important component of meeting the 2021 Act on Climate goals.

He noted that the EERMC, OER, and the Consultant Team has worked hard, including with legal counsel, to get their 2022 budget organized and address issues and improve processes, and as a result feels well positioned for success in calendar year 2022.

As a final thought, Mr. Gill Case indicated that he felt like energy efficiency programs at National Grid were understaffed last year and expressed concern about staffing levels this year. As a result, he would love to see an organizational chart from National Grid to ensure the Council and other stakeholders are comfortable that enough people are available to put together a great plan for 2023.

Ms. Verrengia noted that she also noticed a change in staffing at National Grid, which she felt left the energy efficiency plan vulnerable.

She noted that she feels strongly about the quality of the consultant team and is glad that she supported them continuing to serve the EERMC and felt that they have done a great job and remains impressed with their work.

Acting Chair Hubbard commented that what felt different about the 2022 planning process to him was that prior plans felt more collaborative, and this time, it felt more like National Grid ended up putting forward what they wanted to present in the plan, and this led to Council members taking a stance that this plan as presented was not in best interest of the constituencies they serve. He mentioned that he was glad the Council has taken the time to delve into the budget in more detail and take a closer look internally at EERMC expenditures and budgeting. He stated that he feels good about systems and accountability being put in place to position the EERMC for success moving forward.

Mr. Gill case stated that budget discipline is important and wants to ensure that enough is budgeted to cover important support functions to advance council business.

b) Review & Discuss 2023 Budget Planning Timeline (10 min, 4:00-4:10 p.m.)

Mr. Chybowski reviewed the 2023 budget planning timeline and process for when the 2023 EERMC budget needs to be developed and approved by, which will be much earlier than past years since it now needs to be included in the 2023 energy efficiency plan filing in October.

Mr. Gill Case commented that unallocated funds for 2022, as presented in draft budgets prior to the PUC hearings and stemming from the budget increase change in LCP legislation, were taken away because there was not time to properly and judiciously determine best course of action for prudent spending of those funds. As a result, he is excited to have a more proactive discussion about the budget to better dial in the spending and allocations of Council funds and requests for 2023.

Acting Chair Hubbard stated that an organization's budget tells its story and tells its values.

c) Update on 2022 Council Budget and Transfer of the Client Fund (10 min, 4:10-4:20 p.m.)

Mr. Chybowski provided an update on the transfer of the Council's client fund to National Grid, indicating that OER has provided account details to National Grid, and that they are in the process of working that transfer through their internal processes. Mr. Feldman noted that they have a meeting on Friday to discuss that very issue.

Mr. Chybowski then reviewed the updated budget for the EERMC for calendar year 2022, which includes the updated consultant team budget number that will be discussed at the Full Council meeting later today, and that all these budget allocations are inclusive of already paid invoices in 2022 as well.

Ms. Verrengia indicated that, related to Council travel, she would like to explore reimbursement for incurred parking expenses. Additionally, with meetings now being held in-person, she would like to bring back refreshments for meetings.

Mr. Gill Case discussed a desire to allocate additional funds to legal services to ensure we are properly supported, especially if we have another contested hearing this year, floating \$20,000 as a possible increase.

He then asked both the consultant team and legal counsel if current budgeted amounts are sufficient to support the EERMC should we have a similar process to last year.

Ms. Desautel indicated that she was comfortable with the budget number represented as a guidepost for what to expect in 2022.

Mr. Ross agreed and noted that the budget presented should support the EERMC in a similar process to calendar year 2021 and that is what they sought to achieve in revising their scope of work.

d) Discuss Scheduling Additional Executive Committee Meetings (5 min, 4:20-4:25 p.m.)

Mr. Chybowski asked the Executive Committee if they want to set aside time for additional meetings besides the quarterly meetings scheduled?

Ms. Verrengia feels that they should have additional meetings if schedules can allow it; used to meet monthly a number of years ago. She indicated a strong preference for having them the same day as Full Council meeting.

Mr. Gill Case indicated that the quarterly meeting structure was good for him, but would be open to meeting bi-monthly. He noted a preference for having a meeting in September aligned with the 1st full Council meeting that month.

6. Public Comment

None.

7. Adjournment

Meeting was adjourned at 4:30pm

EXHIBIT 14

DRAFT Budget Proposal for CY 2023

Budgetary Allocations		Budget CY 2023	Notes
Consultant Services		\$ 675,000.00	
Legal Counsel		\$ 75,000.00	
Annual Report Printing & Translation		\$ 3,000.00	
Council Travel		\$ 400.00	
Public Education		\$ 70,000.00	
2023 Farm Energy Fellow		\$ 7,500.00	
Public Forum & Lecture Series		\$ 22,500.00	
K-12 Energy Education		\$ 40,000.00	
Energy Education Videos		\$ -	
2023 Energy Expo		\$ 40,000.00	
EERMC Retreat(s)		\$ 500.00	
EERMC Website		\$ 350.00	
Potential Study Data Refresh		\$ 45,000.00	2023 allocation will be \$45k minus expenses paid in 2022
Total Allocations		\$ 909,250.00	

EXHIBIT 15



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EERMC FULL COUNCIL MEETING MINUTES

Thursday, May 19, 2022

Full Council Meeting | 3:00 – 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom

Members in Attendance: Peter Gill Case, Commissioner Nicholas Ucci, Sue AnderBois, Tom Magliochetti, Karen Verrengia (arrived at 3:26)

Others in Attendance: Adrian Caesar, Craig Johnson, Steven Chybowski, Carrie Gill, Kate Grant, Brett Feldman, Jessica Darling, Nelson DiBiase, Sam Ross, Mal Skowron, Maggie Hogan, Karen Bradbury, Jesse Duroha, Matt Chase, Rachel Calabro, Josh Kessler, Rachel Sholly

All meeting materials can be accessed at: <https://rieermc.ri.gov/meeting/eermc-meeting-may-2022/>

1. Call to Order

Acting Vice Chair Gill Case informally called the meeting to order at 3:05 p.m. Acting Vice Chair Gill Case noted that the Council did not yet have a quorum and therefore would not hold any votes unless and until a quorum is achieved.

2. Executive Director Report

Commissioner Ucci updated the Council that the Senate Environment and Agriculture Committee unanimously approved all Council member appointments, who will next go through a vote of the full Senate.

Commissioner Ucci thanked Karen Verrengia for her years of service, commitment to the Council, and service to energy efficiency! Thank you, Karen!

Commissioner Ucci described the process for nominating Chair and Vice Chair of the Council, and hoped for a further update in June.

Commissioner Ucci reminded the Council of the upcoming Executive Climate Change Coordinating Council Advisory Board meeting (for more information: www.climatechange.ri.gov) and the public comment period on the DRIVE electric vehicle rebate program, which concludes on May 22 (for more information (www.drive.ri.gov)).

3. Acting Chair Report

Acting Chair Gill Case noted attendees are able to join this meeting virtually as well and reviewed the agenda and where Council members and attendees could find meeting materials (www.rieermc.ri.gov).

Acting Chair Gill Case solicited volunteers from the Council to serve at the technical review team for the two education RFPs that were issued after last month's Council meeting. Acting Chair Gill Case volunteered.

4. Meeting Minutes – [April 27, 2022](#)

Tabled due to lack of quorum.

5. Program Oversight (25 Minutes, 3:05 – 3:30 p.m.)

a) [Presentation of 2022 Q1 Energy Efficiency Programming](#) (15 minutes, 3:05-3:20 p.m.)

Adrian Caesar and Craig Johnson from the Consultant Team provided an update on 2022 energy efficiency programming for the first quarter of the year (see presentation).

Acting Chair Gill Case asked whether lighting savings was driving energy savings performance in 2018. Mr. Johnson confirmed lighting contributed to more claimed savings in 2018.

Commissioner Ucci asked whether today's economic pressures were preventing customers from participating in programs. Mr. Johnson concurred that costs related to supply chain issues are having an impact. Council Member Magliochetti agreed that economic pressures could attenuate participation. Commissioner Ucci advised National Grid to develop contingency plans, such as by changing incentive structures, to continue to drive participation and energy savings.

Brett Feldman from National Grid supplemented the presentation with some additional first quarter highlights (see presentation).

b) [National Grid Presentation on the 2021 System Reliability Procurement Year-End Report](#) (10 minutes, 3:20-3:30 p.m.)

Matt Chase from National Grid presented an overview of the 2021 System Reliability Procurement Year-End Report (see presentation).

Council Member AnderBois asked how members would receive the year-end report. Mr. Chase confirmed that Mr. Chybowski would email the report to Council members.

Council Member Magliochetti asked why there was no funding requested. Mr. Chase clarified that there is no funding requested because of the nature of this report being a year-end reflection; any funding requests would be associated with proposals and plans.

Council Member Magliochetti asked for additional information to compare the content and spending in System Reliability Procurement (SRP) to that in Infrastructure, Safety, and Reliability (ISR). Mr. Chase and Ms. Grant explained that non-wires solutions were proposed through SRP, while traditional upgrades to poles, wires, transformers, etc. are made through the ISR filing; and they stated that annual ISR spending is on the order of \$100M, while annual SRP spending is on the order of thousands of dollars.

Mr. Chase updated Council members that this would likely be his last meeting in his role as SRP Manager. Acting Chair Gill Case thanked him for his work and wished him luck.

6. Council Business (60 Minutes, 3:30 – 4:30 p.m.)

Acting Chair Gill Case officially called the meeting to order at 3:48 pm with a quorum.

a) Review of the [Consultant Team Services Request for Proposals](#) (15 minutes, 3:30-3:45 p.m.)

Mr. Chybowski from the Office of Energy Resources presented a draft request for proposals (RFP) for Council consultant services. Commissioner Ucci additionally noted that the RFP now references the 2021 Act on Climate and includes language about equity considerations.

Acting Chair Gill Case noted he was pleased to see reference to the 2021 Act on Climate. Acting Chair Gill Case described his concern over how to describe the number of hours required and budget required to conduct this work, suggesting perhaps the Council may include estimates of hours for each task in the RFP. Commissioner Ucci noted that information on hours required were likely findable in public spheres, and suggested the Council instead ask for a not-to-exceed budget for completing the scope of work regardless of actual hours spent.

Acting Chair Gill Case also raised the question of whether there was value in requiring an in-state presence by the selected bidder, citing the Council meets in person and Rhode Island's unique energy laws and policy as justification for requiring some in-state presence.

Council Member Verrengia concurred about compiling hours to complete tasks historically and about requiring in-state presence. Commissioner Ucci noted the balance between requiring in-state presence and achieving cost efficiency through remote engagement, and noted the Office of Energy Resources would take this back for further consideration to include explicit encouragement of at least some in-state presence.

Commissioner Ucci noted all revisions to the RFP will be redlined in the future for easy review.

Acting Chair Gill Case requested a motion to move agenda item 4 to agenda item 6.b.2. Council Member AnderBois motioned, and Council Member Verrengia seconded. All in favor, no objections or abstentions.

b) Review and Potential Vote on [Market Potential Study Refresh Request for Proposals](#) (15 minutes, 3:45-4:00 p.m.)

Mr. Chybowski from the Office of Energy Resources and Sam Ross from the Consultant Team presented a draft request for proposals (RFP) for an update to the market potential study.

Mr. Feldman noted National Grid would like to provide comprehensive comments but needs some additional time to develop those comments and requests postponing the vote until the next meeting in June. Commissioner Ucci suggested the Office of Energy Resources could work with Mr. Feldman and all commenters over the next month to address comments. Council Member AnderBois suggested the next iteration of the revised RFP be posted for Council and public review at least a week in advance of the next meeting. Mr. Chybowski confirmed this schedule. Acting Chair Gill Case recounted his conversation with Mr. Ross about the sufficiency of the proposed budget for this work.

Agenda Item 4 → 6.b.2: Meeting Minutes – April 27, 2022

Council Member AnderBois motioned to approve. Council Member Magliochetti seconded. There was no discussion. All approved, none opposed, no abstentions.

c) Review [2023 Draft EERMC Budget Proposal](#) (20 minutes, 4:00-4:20 p.m.)

Acting Chair Gill Case prefaced this agenda item with a reminder to the Council about how the Council's schedule for budgeting and planning for the subsequent year will now occur earlier as a result of guidance and requirements from the Public Utilities Commission in the most recent energy efficiency annual plan proceeding. Mr. Chybowski from the Office of Energy Resources presented the proposed 2023 Council budget.

Commissioner Ucci questioned whether the Council should budget and pay for printing Annual Reports and supported broadening this budget line item to include translation. Commissioner Ucci also clarified the timing of spending for the Market Potential Study Refresh, with that line item reflecting the full budget with the expectation that some invoicing will occur in 2023.

Mr. Ross of the Consultant Team further described each budget line item and provided some context about what energy efficiency councils in other states budget for, which includes work related to equity and climate. Commissioner Ucci suggested the Market Potential Study Refresh RFP might include work to assess and improve equity considerations. Mr. Ross said he would work with the Office of Energy Resources to add it to the RFP.

Commissioner Ucci also expressed the importance of connecting energy efficiency work with economy-wide greenhouse gas emissions reductions and noted the value of the Market Potential Study in highlighting energy savings – and emissions reduction – opportunities. Acting Chair Gill Case and Mr. Ross noted the linkage between climate mitigation, energy efficiency, and public education.

Mr. Ross asked whether there was interest from the Council in exploring market-based solutions to drive energy efficiency adoption at lower total investment cost. Mr. Ross provided two other ideas for Council work: an audit of energy efficiency management and reserving funding to support oversight of a third-party energy efficiency program manager if proposed legislation is enacted.

In response to a question from Mr. Chybowski, Mr. Ross provided more explanation about the Consultant Team's and Council's work in the year prior to the start of the three-year planning cycle.

Acting Chair Gill Case and Commissioner Ucci reminded the Council about the process by which future budget proposals will be approved by the Public Utilities Commission. Acting Chair Gill Case asked for the Office of Energy Resources to advise the Council on how to best package budget proposals. Commissioner Ucci also suggested the Council and Office of Energy Resources should look for ways to leverage external funding, if and when, available.

d) Review Draft of the 2022 EERMC Annual Report (10 minutes, 4:20-4:30 p.m.)

Ms. Sholly from the Consultant Team provided an update on the development of the 2022 EERMC Annual Report. Ms. Sholly reminded the Council they received a draft of the Annual Report last month. This year, the Public Utilities Commission granted National Grid an extension to file their year-end report, data from which is required for the EERMC Annual Report. Ms. Sholly suggested comments could still be submitted, and a revised version will be available for action at the June Council meeting.

7. Special Topic (25 Minutes, 4:30 – 4:55 p.m.)

- a) [Rhode Island Department of Health Presentation on the intersection of climate and health](#) (25 minutes, 4:30-4:55 p.m.)

Rachel Calabro from the Rhode Island Department of Health presented on the health implications caused by the changing climate and recommendations for improving the health of Rhode Islanders (see presentation).

Council Member Verrengia suggested that there may be an opportunity to account for differences in energy use behaviors by income (i.e., lower income households allow their homes to heat more before turning on air conditioning to cool) and health outcomes within energy efficiency programs. Ms. Calabro noted anecdotal evidence from the Department of Health's cooling program that access to air conditioning can also improve education outcomes for students.

Council Member Magliochetti noted economic pressures driven by inflation today exacerbating energy equity issues. Council Member Magliochetti also noted that emissions and pollution impact everyone across Rhode Island. Ms. Calabro noted that pollution from out-of-state also impacts Rhode Islanders.

Ms. Calabro also noted an upcoming Department of Health study to quantify health benefits of electric transportation in Rhode Island.

Mr. Feldman noted that the results of National Grid's nonparticipant study will be out soon.

Acting Chair Gill Case asked why there is a deficiency in air quality monitoring stations. Ms. Calabro said Rhode Island's monitoring meets the US EPA standards, but that more funding might allow for additional monitoring.

Council Member Magliochetti asked for Ms. Calabro to give the key takeaway in plain language (i.e., what is the biggest benefit of cleaner air?). Ms. Calabro linked better air quality to better student attendance and therefore higher earning potential, to more days worked and higher income, and to economic impacts of seasonal industries in Rhode Island.

8. Public Comment

None.

9. Adjournment

Council Member Magliochetti motioned to adjourn the meeting. Council Member AnderBois seconded. Acting Chair Gill Case adjourned the meeting at 5:04 pm.

EXHIBIT 16



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EERMC FULL COUNCIL MEETING MINUTES

Thursday, June 16, 2022

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom

Members in Attendance: Commissioner Nicholas Ucci, Brett Feldman, Joe Garlick, David Caldwell, Peter Gill Case, Sue AnderBois, Kate Grant, Bob Izzo, Harry Oakley, Tom Magliocchetti, Kurt Teichert (virtual)

Others in Attendance: Steven Chybowski, Craig Johnson, Tessa Brandt, Tara Bournis, Tyler Zanini, Sarah Barraco, Jessica Darling, Joshua Kessler, Hank Webster, Angela Li, Kyle Bannon, Kai Salem, Nelson DiBiase, Rachel Sholly, Todd DeTonnancourt, Adrian Caesar, Gretchen Calcagni, Karen Verrengia, Sam Ross, John Richards, Jesse Duroha, Audio participant

All meeting materials can be accessed at: <https://rieermc.ri.gov/meeting/eermc-meeting-june-2022/>

1. Call to Order

Chairperson Oakley called the meeting to order at 3:01 p.m.

2. Executive Director Report

Commissioner Ucci informed the Council that new members Harry Oakley, Bob Izzo, Dave Caldwell, Brett Feldman, and Kate Grant have been appointed to the Council. He also stated that Council Member Oakley has been appointed as the Council's Chair and Council Member Gill Case has been appointed as the Vice Chair.

Commissioner Ucci noted for the Council that there are current vacancies on the Executive Committee, the education working group, and the current request for proposals technical review team. If interested, volunteers should step forward or reach out to the Office of Energy Resources.

Commissioner Ucci stated that the State's rules and regulations for appliance standards are now available for public comment (<https://rules.sos.ri.gov/Promulgations/part/300-00-00-4>) and that there will be a public hearing on June 20th to gather additional stakeholder feedback. In addition, the State Legislature has passed a 100% renewable target by 2033.

Lastly, Commissioner Ucci noted that the Executive Climate Change Coordinating Committee (EC4) hosted sharing sessions on the thermal sector in June. More information on the EC4 is available at www.climatechange.ri.gov.

3. Acting Chair Report

Chairperson Oakley stressed the importance of reading meeting materials so that Councilors are fully prepared for any votes and recommendations on behalf of the Council. A round of introductions was conducted.

Chairperson Oakley noted that meeting materials are available on the Council's website.

4. Meeting Minutes – [May 19, 2022](#)

Vice Chair Gill Case motioned to approve the May meeting minutes. Council Member Garlick seconded. All in favor, none opposed.

5. Program Oversight (35 Minutes, 3:10 – 3:45 p.m.)

- a) [*Rhode Island Energy Presentation on the 2023 Energy Efficiency Outline Memorandum*](#) (20 minutes, 3:10-3:30 p.m.)

Council Member Feldman of Rhode Island Energy presented on the Energy Efficiency Outline Memorandum for the 2023 Energy Efficiency Program Plan. He noted that the utility staff will remain consistent with the recent sale of the electric and gas distribution utility. The Outline Memo is only intended to provide broad themes for the planning process. These broad themes include incorporating the *2021 Act on Climate*, an emphasis on equity, and looking at more comprehensive measures beyond lighting. The first draft of the plan will be submitted July 12th.

Council Member AnderBois requested that written comments on the Outline Memorandum be accepted until June 23rd. She also commented that she is not sure if the Company's customer relations goal is relevant for the Council, as it is not directly tied to energy savings and that she would like to see metrics tied to the women- and minority-owned business goals.

Council Members discussed the importance of clear communications and building customer relations, especially in light of the company transition.

Vice Chair Gill Case would like to see more information about energy codes, demand response, the role of CO2 in the performance incentive mechanism, and more specifics of equity initiatives.

Council Member Caldwell mentioned that the Rhode Island Builders Association has a successful school in Central Falls that can be tapped into for development and training of new energy efficiency contractors.

Council Member Grant noted that the CO2 PIM would require an additional deep dive to justify it.

- b) [*Council Consultant Team Perspectives on the Energy Efficiency Outline Memorandum*](#) (15 minutes, 3:30-3:45 p.m.)

Mr. Ross presented on the Consultant Team's initial takeaways from the Outline Memorandum. He noted that this outline has done well to make more clear commitments, respond to changing global economic conditions, and address changes that came out of the most recent Public Utilities Commission rulings. The Consultant Team would like to see additional details on the company transition, further detail on the *2021 Act on Climate*, and additional specifics around equity.

Mr. Johnson presented on the Consultant Team's initial takeaways regarding the residential sector.

Mr. Caesar presented on the Consultant Team's initial takeaways regarding the commercial and industrial sector.

Council Member Izzo and Chairperson Oakley asked for more details regarding the building analytics program. Mr. Kessler provided a summary of the programs and Mr. Caesar will provide additional materials on the program to the Council Members.

6. Council Business (50 Minutes, 3:45 – 4:35 p.m.)

a) [Review and Potential Vote on the Consultant Team Services Request for Proposals](#) (15 minutes, 3:45-4:00 p.m.)

Mr. Chybowski presented a draft request for proposals (RFP) for the Council's consultant services. This updated draft includes additional emphasis on incorporating the *2021 Act on Climate*, research into equity-related topics, and for proposal budgets to be submitted as "not-to-exceed" amounts.

Chairperson Oakley would like to wait on this vote until the July meeting to have more time to review the RFP.

Vice Chair Gill Case suggested that he believes that the Council should execute its contract option to extend current consultant services for an additional two years for the benefits of stability and continuity for the Council.

Council Member AnderBois would support executing the contract extension as there will be a lot of changes with elections this year and that the continuity could be appreciated. She also requested that we add language to specify that Council Members will be the proposal reviewers and that we look to share this RFP through additional channels to encourage women- and minority-owned businesses to respond.

Commissioner Ucci noted that nothing would prevent the incumbent consultant team from re-applying to the RFP and that there have been many changes since the RFP was last issued. These changes include an increased focus on equity, passage of the *2021 Act on Climate*, and the focus on the Council's budget during the last Public Utilities Commission hearing.

Council Member Izzo is supportive of issuing the RFP to gauge costs in the market.

Chairperson Oakley would like to push a vote on this RFP until next month's meeting and to see what else is available in the marketplace. This will potentially be two votes at the July meeting, one to decide whether to issue an RFP or extend existing consultant services, and a possible second vote to issue the draft consultant services RFP.

b) [Review and Potential Vote on Market Potential Study Refresh Request for Proposals](#) (10 minutes, 4:00-4:10 p.m.)

Mr. Chybowski introduced the draft market potential study data refresh RFP which would provide updated data for the next three-year plan and subsequent annual energy efficiency plans.

Mr. Ross explained that the purpose of these studies is to broadly identify the amount of energy savings that efficiency programs could potentially produce. Because this is a quicker study with a smaller budget than the last market potential study, the goal of this study would be to focus on the economic and maximum achievable potential for efficiency programming. This study would refresh the data for 2024 through 2026.

Chairperson Oakley asked about the duration of this study and role of the current Consultant Team.

Mr. Chybowski clarified that this study would look to take approximately six months and that the Consultant Team would serve as members of the project management team for this study.

Council Member Feldman asked about additional suggestions that he would like to see incorporated into the RFP. He would like to see quantity of units specified as a reporting metric.

Ms. Darling of Rhode Island Energy added she believes that quantity does need to be a listed metric in the RFP and that this RFP should include more review and discussion opportunities for the utility.

Vice Chair Gill Case motioned to approve the Market Potential Study Refresh RFP as presented by the Office of Energy Resources (OER) and the Consultant team, on June 16th, 2022, with amendments to allow the utility to review and provide feedback on the study draft and to add quantity of units as a reported study metric, and to direct OER to issue the request for proposals. Council Member AnderBois seconded. All in favor, none opposed.

c) Review and Potential Vote on the 2023 Draft EERMC Budget Proposal (15 minutes, 4:10-4:25 p.m.)

Mr. Chybowski shared the budget proposal for calendar-year 2023 and provided a summary of the Council's new budget process.

Mr. Johnson and Mr. Ross of the Consultant Team shared some additional notes for consideration regarding potential budget allocations.

Council Member Magliocchetti noted that an increased emphasis on public awareness is very important.

Vice Chair Gill Case concurred and mentioned that the public awareness initiative could be bundled as a part of a larger effort with our ongoing educational videos that are under development.

Mr. Ross proposed creating one-pagers on possible additional budget allocations.

Council Member Izzo asked to view previous year actuals to get a sense of what should be allocated for calendar-year 2023.

Mr. Chybowski will look to provide spending from previous years.

Commissioner Ucci added that the budget allocations could also be impacted by an RFP for consultant services and that each budget item needs to be fully justified before the Public Utilities Commission.

Council Member AnderBois would like to see a budget allocation for a rebrand and refresh for the Council to better reflect the Council's role and responsibilities.

Chairperson Oakley asked whether funds can be reallocated in the future and Commissioner Ucci noted that this is a new process and that we should seek clarification on the reallocation process.

Vice Chair Gill Case has additional items that he would like considered for additional funding, but he will save that discussion for a later meeting.

- d) [Review and Vote on the Draft of the 2022 EERMC Annual Report](#) (10 minutes, 4:25-4:35 p.m.)

Ms. Sholly presented on the current draft of the 2022 EERMC Annual Report. She noted that many stakeholders contributed to the Annual Report and that the Report got more attention this year than in years past.

Council Member AnderBois motioned to approve the 2022 EERMC Annual as presented by the Consultant Team, on June 16th, 2022. Council Member Garlick seconded. All in favor, none opposed.

7. Special Topic (20 Minutes, 4:35 – 4:55 p.m.)

- a) [Massachusetts Climate and Energy Efficiency Presentation](#) (20 minutes, 4:35-4:55 p.m.)

Ms. Calcagni of Optimal Energy presented on the energy efficiency work and plan in Massachusetts. She noted that greenhouse gas goals and strategic electrification are included as a part of the energy efficiency plans in Massachusetts.

8. Public Comment

Hank Webster, the Acadia Center:

Mr. Webster appreciated the presentations today and believes that there is still a lot of work to do for the 2023 Energy Efficiency Plan. He is disappointed to see the five percent cap incorporated as it limits efficiency program planning considerations. He read the language around the initial five percent cap which allows for deviations if circumstances change. Mr. Webster noted that many things have changed such as the passing of the *2021 Act on Climate*, and now the passage of a 100 percent renewable energy standard. He explained that we learn more about equity and program participation each year which should be incorporated into the Plan. Lastly, he would like clarification on what the five percent cap is applied to by the utility in their planning process.

Kai Salem, Green Energy Consumers Alliance:

Ms. Salem does not believe that she is seeing the nonparticipant study reflected in the Plan Outline Memo and that addressing residential energy is incredibly important. Green Energy Consumers Alliance would like to see the plan built from potential savings and all possible energy savings available rather than starting with an update on the previous year's plan. She also added that this will be her last meeting with the EERMC as she is leaving Green Energy Consumers Alliance to attend law school.

9. Adjournment

Chairperson Oakley motioned to adjourn the meeting. Vice Chair Gill Case seconded. The meeting was adjourned at 5:13 p.m.

EXHIBIT 17



STATE OF RHODE ISLAND

ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

CONSULTANT TEAM

2023 EERMC Budget Considerations

Presented By: EERMC Consultant Team

Date: June 16, 2022





Outline

Third-Party Implementation RFP Oversight

Incremental Cost of Three-Year Planning Year

Enhanced Public Education

Market Based Solutions Study

Next Steps

Discussion



3rd Party Implementation RFP Oversight

Governor McKee's budget proposal includes a request that OER work in coordination with the EERMC to issue an RFP no later than March 31, 2023

Council would need to coordinate with OER to evaluate proposals and determine if 3rd Party Implementation is in the best interest of RI energy consumers

Council should consider setting aside a small allocation of funds for its role in this process



Incremental Cost of a 3-Year Plan Year

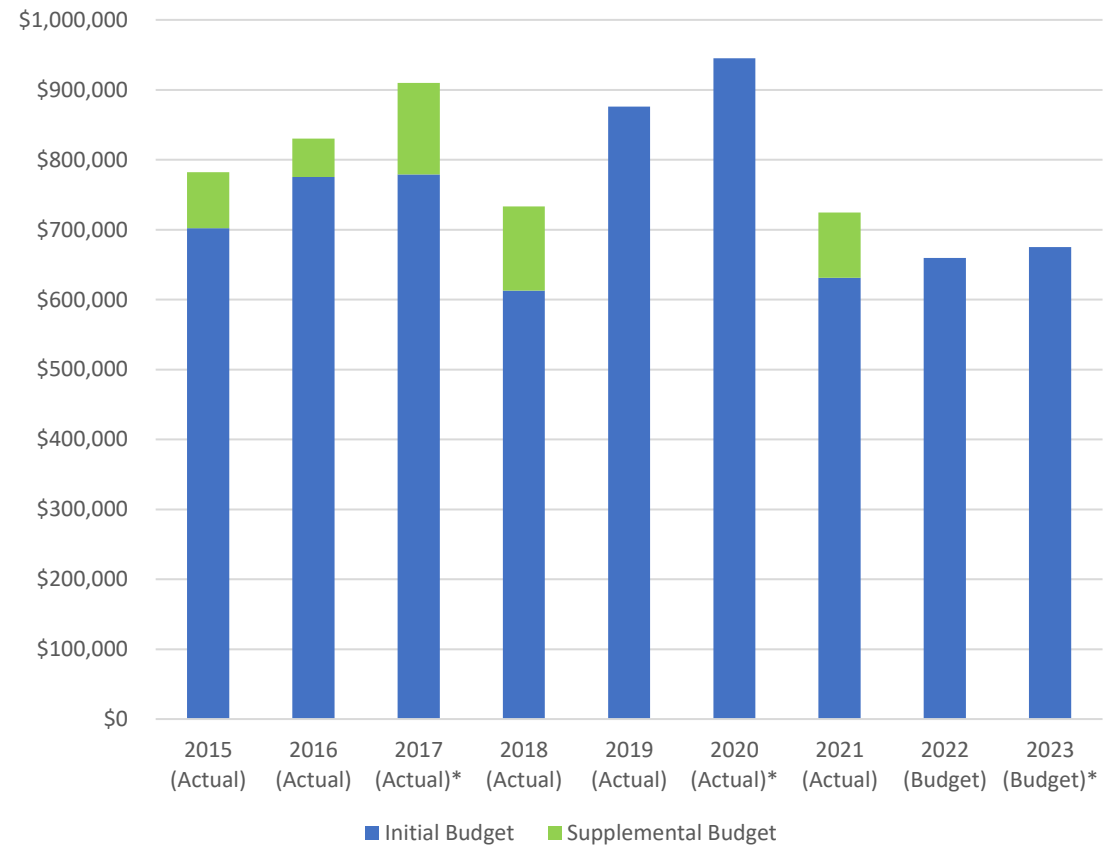
2023 includes the finalization of 3-Year Targets, and development of a 3-Year Plan and an Annual Plan

These years historically require more hours and budget than preceding years

Last two 3-Year Plan years have averaged ~9% greater budgets compared to previous year

Current budget level included in draft budget for 2023 is ~2% higher than 2022 budget

EERMC Consultant Actual and Budget



*Denotes Three-Year Plan Year



Enhanced Public Education

Allocate funding for an EE and Climate public awareness campaign

Would promote public awareness of energy efficiency programs, their benefits, and their foundational role in climate mitigation and achieving state clean energy goals

Work could be delivered through the continuation of the Mike Guerard Energy Fellow who could work in coordination with the Education Working Group



Market Based Solutions Study

EE activities need to scale up to support state decarbonization and clean electricity goals

Incentive-based programs, while well-established, can be limited if tolerance for the increased direct cost to support aggressive scaling is not there

Market-based solutions could be an effective way for the EERMC to support increased EE uptake **without** a proportional impact on EE program budgets

Council could commission a study to survey the current landscape of market-based EE solutions to help identify recommendations specific to RI that could be utilized in the upcoming years



Next Steps

Council to provide feedback on any of these areas that it would like to explore further for inclusion in the 2023 Budget

C-Team will coordinate with OER to prepare cost estimates for any areas selected for further exploration

Final proposed budget inclusive of estimates for additional areas to be presented and voted on at the July 21st Council meeting



Council Member Discussion

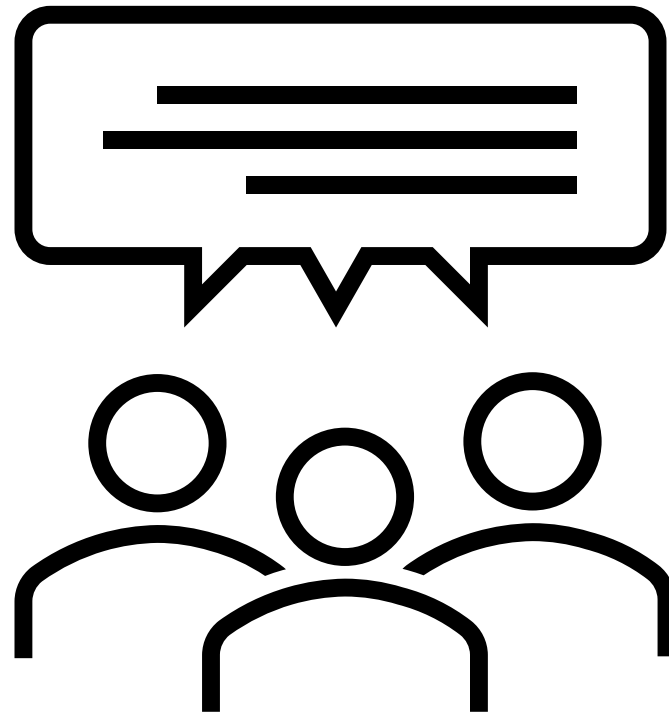


EXHIBIT 18

EERMC 2023 Budget Proposals		
Historic and Recurring Allocations		
Recurring Budgetary Allocations	Budget	Notes
	CY 2023	
Consultant Services	\$675,000.00	
Legal Counsel	\$75,000.00	
Annual Report Printing & Translation	\$3,000.00	
Council Travel	\$400.00	
Public Education	\$117,500.00	
2023 Farm Energy Fellow	\$7,500.00	
2022 Public Forum & Lecture Series	\$22,500.00	This line item will be \$22,500 minus actual expenses paid in 2022
2023 Public Forum & Lecture Series	\$22,500.00	
2022 K-12 Energy Education	\$40,000.00	This line item will be \$40k minus actual expenses paid in 2022
2023 K-12 Energy Education	\$25,000.00	Reduced based on input from Education Working Group
Energy Education Videos	\$-	
2023 Energy Expo	\$40,000.00	
EERMC Councilor Education and Advancement	\$500.00	
EERMC Website	\$350.00	
Potential Study Data Refresh	\$45,000.00	This line item will be \$45k minus expenses paid in 2022
Recurring Allocations Subtotal	\$956,750.00	
Proposed New Budgetary Allocations	CY 2023	Notes
C-Team 3rd Party Implementation RFI Analysis	\$ 11,100.00	Would be added to the Consultant Services line item
C-Team 3-Year Plan Incremental Cost	\$ 42,025.00	Would be added to the Consultant Services line item
EE and Climate Awareness Campaign	\$ 35,000.00	Could be included under the Public Education line item
Brand and Comms Development	\$ 30,000.00	
Market Based Solutions Study	\$ 70,000.00	
Natural Gas Pruning Study	\$ 70,000 - 250,000	
Potential New Allocations Subtotal	\$ 258,125 - 438,125	
GRAND TOTAL	\$ 956,750 - 1,394,875	

EXHIBIT 19



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EERMC 2023 Budget

Energy Efficiency and Resource Management Council

July 28, 2022

EEMRC 2023 Budget

- Current proposals for 2023 range from \$956,750 – \$1,394,875
 - This includes allocations for initiatives that will begin in 2022, that are anticipated to roll over into 2023 for completion
- In the past, the Council was able to roll over unspent funds for future programming and studies
- Now, any unspent funds at the end of the calendar year will be reconciled back to the ratepayers
- Note that the Council’s 2022 budget currently has \$141,984 of unallocated funds
 - These can be deployed in support of some of the proposed budget allocations included in the 2023 draft budget IF those activities take place in 2022.

Historic EEMRC Spending

Year	2018	2019	2020	2021	2022
Actual Spend	\$967,098.86	\$1,159,751.60	\$1,307,146.97	\$893,817.10	
Budgeted Expenses	\$1,119,935.00	\$1,386,422.80	\$1,453,276.50	\$954,961.23	\$1,025,763.00
Note: Prior to 2022, any unspent funds could be rolled over year-to-year and saved for future initiatives or studies.					* This amount is the total allocation for the EEMRC in 2022

EEMRC 2023 Budget Process

- OER and the C-Team will guide the Council through each line item
- We will provide an explanation of the base values for each item, plus any considerations for adjusting the values
- Council members will have the opportunity to propose changes to individual line items, and may vote on individual allocations, an overall budget, or both at different times
- The goal is to conclude the discussion with a vote to approve the budget, with any amendments necessary to incorporate the priorities of the Council

Historic and Recurring Allocations for Consideration

Historic and Recurring Allocations		
Recurring Budgetary Allocations	Budget	Notes
	CY 2023	
Consultant Services	\$675,000.00	
Legal Counsel	\$75,000.00	
Annual Report Printing & Translation	\$3,000.00	
Council Travel	\$400.00	
Public Education	\$117,500.00	
2023 Farm Energy Fellow	\$7,500.00	
2022 Public Forum & Lecture Series	\$22,500.00	This line item will be \$22,500 minus actual expenses paid in 2022
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2023 K-12 Energy Education	\$25,000.00	Reduced based on input from Education Working Group
Energy Education Videos	\$-	
2023 Energy Expo	\$40,000.00	
EERMC Councilor Education and Advancement	\$500.00	
EERMC Website	\$350.00	
Potential Study Data Refresh	\$45,000.00	This line item will be \$45k minus expenses paid in 2022
Recurring Allocations Subtotal	\$956,750.00	

Proposed New Allocations for 2023

Proposed New Budgetary Allocations	CY 2023	Notes
C-Team 3rd Party Implementation RFI Analysis	\$ 11,100.00	Would be added to the Consultant Services line item
C-Team 3-Year Plan Incremental Cost	\$ 42,025.00	Would be added to the Consultant Services line item
EE and Climate Awareness Campaign	\$ 35,000.00	Could be included under the Public Education line item
Brand and Comms Development	\$ 30,000.00	
Market Based Solutions Study	\$ 70,000.00	
Natural Gas Pruning Study	\$ 70,000 - 250,000	
Potential New Allocations Subtotal	\$ 258,125 - 438,125	
GRAND TOTAL	\$ 956,750 - 1,394,875	

EXHIBIT 20

Memo



To: Energy Efficiency and Resource Management Council
From: EERMC Consultant Team
CC: Steven Chybowski
Date: July 28, 2022
Subject: Council Budget Allocation Options with Descriptions and Cost Estimates

CONSULTANT TEAM

SUMMARY

The Consultant Team (C-Team) provides the following write-ups and cost estimates for a variety of possible budget allocations for the Council to consider in evaluating its 2023 budget proposal. The table below summarizes cost estimates for each budget category, with a full description of what each item is, how its costs were estimated, and why it is within the Council's statutory authority included in the remainder of the memo.

Potential Budget Allocation	Page	Cost Estimate
Market Based Solutions Study	2	\$70,000
Natural Gas Pruning Study	4	\$70,000 - \$250,000
Energy Efficiency & Climate Public Awareness Campaign	7	\$35,000
EERMC Brand & Communications Development	9	\$30,000
Third Party Implementation Request for Information (RFI)	10	\$11,100
Three-Year Plan Year Incremental Cost	12	\$42,025

Market Based Solutions Study

Description

Energy Efficiency programs have historically been successful in driving reductions in building energy consumption (energy savings). Large portions of these energy savings have resulted from the implementation of efficient lighting upgrades¹, often at low costs with short payback periods². Energy efficiency programs have successfully transformed the lighting market, which is now effectively saturated with efficient LED lighting products in Rhode Island. To continue to drive energy savings and achieve climate goals, comprehensive deep energy retrofits will be required, but many existing program frameworks struggle to support these capital-intensive projects in the numbers required to maintain historical savings levels. One underlying reason for this difficulty is that these projects tend to have higher costs for energy efficiency programs in terms of dollars per unit of energy saved.

Market-based solutions may have the potential to circumvent many of the challenges faced by programs seeking to drive deeper savings beyond lighting, including split incentives³, pass-through of energy costs to building tenants⁴, and rate impacts⁵. The Council may wish to fund a study to explore viable market-based energy efficiency solutions, which may be able to drive significant activity without proportionate ongoing energy efficiency program budget growth. Energy savings agreements or performance contracts⁶, for example, are often undertaken by energy service companies (ESCOs) to minimize energy and operational costs at client sites. These contracts are typically performance-based, meaning that ESCOs earn revenue with higher performance while assuming the risks tied to underperformance.

An emerging example of a market-based approach is the Metered Energy Efficiency Transaction Structure (MEETS)⁷ in which building operators or developers (“Energy Tenants”) sell metered energy efficiency savings to utilities. The MEETS framework⁸ seeks to deliver benefits from comprehensive building upgrades and ongoing operation and maintenance to all involved parties including the utility, project investor, and building owner.

Cost Estimate

The precise scope, timing, and any required market-based solutions to include in the study would be determined with Council input at the time an RFP is drafted. At a minimum, the study should assess the

¹ Lighting savings comprised 74.3% of C&I Sector Electric Savings in 2021 and 69.9% in 2020.

² Payback period: duration of time, often measured in years, it takes for a customer’s cumulative energy cost savings to exceed their monetary contribution to energy efficiency upgrades.

³ Split incentive: describes instances where neither the building owner nor tenant has incentives to make capital improvements to improve energy efficiency

⁴ Tenants are often responsible for energy costs, thereby removing building owner incentives for making capital investments to improve energy efficiency

⁵ Energy efficiency programs in Rhode Island and other jurisdictions are funded through a program surcharge (based on customer energy consumption). To increase energy efficiency program budgets to pursue additional savings, rates may be increased and create adverse rate impacts.

⁶ Energy Savings Performance Contracts:

<https://betterbuildingssolutioncenter.energy.gov/sites/default/files/news/attachments/RILA%20ESA%20Primer.pdf>

⁷ MEETS Summary Page: <https://www.meetscoalition.org/how-meets-works/>

⁸ MEETS Summary Report: <http://www.meetscoalition.org/wp-content/uploads/MEETS-AC-Description.pdf>

landscape of potential market-based solutions and determine which solutions might work well in the Rhode Island energy efficiency landscape and why.

The C-Team estimates a budget of approximately \$70,000 is reasonable for this research study. While a more refined scope of work and budget would be established as part of the solicitation process, this was the cost⁹ allocated to a Council-funded study regarding the applicability of various financing tools in the energy efficiency space to Rhode Island efficiency programs¹⁰. While the content of that study differs from this proposal, it is similar in that the study both surveyed other jurisdictions for tools or approaches that are currently in use, and then assessed and recommended a subset of those for consideration in Rhode Island.

Statutory Authority

The following statute(s) related to the Council's purposes, powers, and/or duties are included as reference for why the Council feels this budget item is within its purview.

- According to [§ 42-140.1-6](#) (a), the Council has the powers *“to make any studies of conditions, activities, or problems related to the state’s energy needs, usage, and supplies to carry out its responsibilities.”*
- As noted in [§ 42-140.1-3](#) (b)(1), one of the Council’s purposes is to *“Evaluate and make recommendations, including, but not limited to, plans and programs, with regard to the optimization of energy efficiency, energy conservation, energy resource development; and the development of a plan for least-cost procurement for Rhode Island.”*

⁹ [RI EERMC October 2015 Meeting Minutes](#), see section 4a.

¹⁰ [A Review of Energy Efficiency Financing in Rhode Island: Memo on Findings](#)

Natural Gas Pruning Study

Description

As part of the 2021 Act on Climate, Rhode Island has established statewide greenhouse gas emissions reduction targets. Though sector-specific GHG emissions reduction targets were not included in the legislation, building sector energy efficiency will be a crucial contributor to achieving the statewide goal of net-zero emissions by 2050¹¹.

Natural Gas currently represents the most common heating fuel in the state¹². In order to support the achievement of statewide climate goals, substantial amounts of natural gas system decommissioning will likely be needed¹³. The scope of a study focusing on gas decommissioning could take a range of forms; the C-Team has identified three representative options, listed below. Note that the Council could seek to cover all of these tasks with a larger study, or initially solicit only the first and/or second and assess results before considering the third.

Potential EERMC-Commissioned Studies:

1. Cross-Jurisdictional Natural Gas Decommissioning Study
 - a. A research-based study could explore natural gas decommissioning efforts implemented in other jurisdictions to assess program designs, methods, costs and benefits, non-energy impacts, and applicability to Rhode Island.
2. Rhode Island Natural Gas Decommissioning Feasibility Analysis
 - a. An analytical study could assess where natural gas infrastructure decommissioning is feasible in Rhode Island's gas system, in terms of gas system operational constraints, economics, consumer needs, and other relevant factors.
3. Comprehensive Natural Gas Decommissioning Demonstration
 - a. A comprehensive demonstration's scope would encompass all aspects of cross-jurisdictional research on natural gas decommissioning and assessment of eligible decommissioning sites in Rhode Island. In addition, a comprehensive demonstration could:
 - i. Assess cost, technical requirements, and feasibility of decommissioning natural gas distribution infrastructure
 - ii. Identify scenarios for recommended natural gas system decommissioning (e.g., aging pipeline replacement, damaged pipeline infrastructure) and quantify benefits of gas decommissioning
 - iii. Develop replicable criteria based on economic viability, technical feasibility, and customer benefits to inform gas decommissioning decision-making process
 - iv. Propose decommissioning strategies based on data-driven analysis

¹¹ Working Draft of the 2022 Update to the 2016 Greenhouse Gas Emissions Reduction Plan:

<https://climatechange.ri.gov/act-climate/working-draft-workplan>.

¹² Natural Gas accounted for 55.3% of home heating in 2019 according to the Energy Information Administration:

<https://www.eia.gov/state/data.php?sid=RI>

¹³ According to an American Gas Foundation study (p. 18) 1,660-3,780 TBtu of biomethane resources could be produced annually for pipeline injection by 2040. This represents 5-12% of 2021 U.S. Natural Gas Consumption:

<https://www.eia.gov/dnav/ng/hist/n9140us2A.htm>

- v. Include energy efficiency stakeholders and customers to ensure all aspects of feasibility, cost-effectiveness, and equity are considered
- vi. Evaluate best electrification technologies to support gas system decommissioning
- vii. Assess existing and new financing options to facilitate transition away from natural gas use
- viii. Coordinate with existing SRP efforts related to Non-Pipes Alternatives
- ix. Determine barriers and risks to electrification, as well as potential mitigation strategies

Note: It may be the case that a comprehensive demonstration is better supported through collaboration with the utility team and funded as an energy efficiency or system reliability procurement program activity rather than through a Council budget allocation; however, we have included the additional scope areas here both for completeness and to illustrate what work may follow on from the activities listed in areas 1) and 2) above.

Cost Estimate

1. Cross-Jurisdictional Natural Gas Decommissioning Study: The C-Team estimates a total cost of \$70,000 for this research-based study. Similar to the Market Based Solutions item above, the scope of a Natural Gas Decommissioning Study would likely be comparable to the 2014 financing study, focusing on surveying other jurisdictions and synthesizing recommendations for Rhode Island, albeit regarding a different topic.
2. Rhode Island Natural Gas Decommissioning Feasibility Analysis: As a result of Aquidneck Island natural gas outages in January 2019, the Division developed an investigative report¹⁴ to understand the system failure. As part of this report, the Division estimated that hiring technical consultants to perform detailed modeling of natural gas pipelines under different operational scenarios would cost at least \$250,000. Though that analysis is not precisely what is contemplated for the Council here (a study that would assess the overall pipeline infrastructure for areas that may represent opportunities for pruning), the cost estimate is nevertheless a reasonable reference for a detailed gas system analysis that was recently developed by a Rhode Island state agency.
3. Comprehensive Natural Gas Decommissioning Demonstration: After assessing natural gas pipeline decommissioning practices in other jurisdictions and determining eligible decommissioning areas, the next step could be to engage with the utility, community-based organizations, and customers to implement natural a gas decommissioning demonstration. Such efforts would demonstrate the benefits of natural gas distribution system pruning and inform larger-scale efforts. The California Energy Commission issued an RFP¹⁵ and awarded two

¹⁴ Aquidneck Island Gas Outage – DPUC Report:

https://ripuc.ri.gov/sites/g/files/xkgbur841/files/eventsactions/AI_Report.pdf

¹⁵ CA Energy Commission – Strategic Pathways and Analytics for Tactical Decommissioning of Portions of Natural Gas Infrastructure RFP: <https://www.energy.ca.gov/solicitations/2020-12/gfo-20-503-strategic-pathways-and-analytics-tactical-decommissioning-portions>

demonstration grants¹⁶ to conduct such work, each for nearly \$1 million. The RFP called for the identification of at least three eligible natural gas decommissioning sites at a minimum budget of \$700,000. Given the option to initially focus on a single site, the C-Team estimates a comprehensive demonstration cost to be approximately \$250,000.

Note: As with other items, a more refined scope of work and budget would be established as part of the solicitation process for any of the above items the Council elects to pursue.

Statutory Authority

The following statute(s) related to the Council's purposes, powers, and/or duties are included as reference for why the Council feels this budget item is within its purview.

- According to [§ 42-140.1-6](#) (a), the Council has the powers “to make any studies of conditions, activities, or problems related to the state’s energy needs, usage, and supplies to carry out its responsibilities.”

¹⁶ Awarded Grants for Tactical Decommissioning Studies (CEC Business Meeting Agenda, p. 5): https://www.energy.ca.gov/sites/default/files/2021-05/2021-06-09-Agenda_ADA.pdf

Energy Efficiency & Climate Public Awareness Campaign

Description

As the least cost clean energy resource, energy efficiency plays a foundational role in addressing climate change and achieving Rhode Island's clean energy goals. It is, therefore, critical that the public continue to see efficiency investment as a necessary action for combating climate change. The Council could solicit professional services to develop and deliver a public awareness campaign that promotes the benefits of energy efficiency in the context of climate mitigation.

An experienced firm could provide strategic marketing consultation, communication planning, and effective implementation in coordination with the EERMC Education Working Group. Such a campaign would be comprised of an organized set of communication tactics, designed, and executed in a way that is tailored to Rhode Island communities and complementary to existing efforts.

The Council's educational video series, currently under development, could be a core element of this campaign. This effort would also coordinate with EERMC brand and communication development activities, should the Council choose to move forward with that budget item.

Activities could include, but may not be limited to the following:

- Facilitate identification and honing of strategic objectives, target audiences, and key messages
- Conduct literature review of relevant reports, policy, and resources (e.g., Nonparticipant Market Barriers Study, Act on Climate, etc.)
- Conduct supplemental research if deemed necessary by the EERMC Education Working Group (e.g., focus groups, surveys, interviews, etc.) Note: in-depth supplemental research may require additional budget
- Survey and build on existing efficiency and climate related outreach efforts in Rhode Island (e.g., Rhode Island Energy marketing campaigns)
- Conceptualize, design, implement, and evaluate a public awareness campaign, including a variety of outreach elements and platforms, such as video, web, social media, in-person events, print media, etc.
- Integrate campaign with existing EERMC public outreach events (i.e., EERMC Annual Public Forum and Energy Lecture Series)

Cost Estimate

The following contracts serve as references to inform the proposed activities, estimated level of effort, and allocation amount. A more refined scope of work and budget would be established as part of the solicitation process. We estimate a budget of approximately \$35,000 for this item.

- Events & Outreach (2021)
 - 12 months, \$30,000
 - Services: Public forum, lecture series, video outreach
 - Selected vendor proposal: http://rieermc.ri.gov/wp-content/uploads/2021/04/duffyshanley-technical-isbe-cost-proposal_event-1.pdf
- K-12 Educator Training (2021)
 - 12 months, \$45,000

- Services: Curriculum development, five half-day trainings, on-demand training module
- Selected vendor proposal: <http://rieermc.ri.gov/wp-content/uploads/2021/06/gbri-technical-isbe-cost-proposals.pdf>
- Education Video Series (2021)
 - 16 months, \$75,000
 - Services: Development & production of eleven 2-5 minute videos
 - Selected vendor proposal: http://rieermc.ri.gov/wp-content/uploads/2021/04/duffyshanley-rfp-technical-isbe-cost-proposal_video-1.pdf
- Needs Assessment for Energy Education (2018)
 - 12 months, \$25,000
 - Services: Assessed educational needs of public officials and business stakeholders through a strategic literature review, surveys, and interviews
 - Selected vendor proposal: http://rieermc.ri.gov/wp-content/uploads/2018/02/evergreen-economics_technical-proposal.pdf

Statutory Authority

The following statute(s) related to the Council’s purposes, powers, and/or duties are included as reference for why the Council feels this budget item is within its purview.

- In accordance with [§ 42-140.1-3](#) (b)(4), one of the Council’s purposes is to *“Promote public understanding of energy issues and of ways in which energy efficiency, energy conservation, and energy resource diversification and management can be effectuated.”*

EERMC Brand & Communications Development

Description

As the Council continues to expand its public education and outreach activities, enhancing its own distinct brand and communications tools would help fulfill its mandate to promote public awareness of energy efficiency programs and their benefits. The Council could solicit professional services for strategic consultation and further development of EERMC brand identity and outreach functions to foster greater awareness of Council efforts and build public recognition, reputation, and credibility over time.

Such efforts could include, but may not be limited to the following:

- Design a new EERMC logo
- Update mission statement, tagline, and other relevant language or copy
- Refresh website with updated content and brand aesthetic
- Have professional photographs taken of Council and Rhode Island efficiency subject matter for use in future outreach and communications efforts
- Create an event tabling set-up for in-person events (e.g., tablecloth, banner, poster)
- Develop printed communication materials
- Subscribe to an email distribution system & build a stakeholder mailing list
- Create EERMC email address(es)
- Set up an EERMC-specific virtual meeting account
- Increase social media presence

Cost Estimate

The following contracts serve as references to inform the proposed activities, estimated level of effort, and allocation amount. A more refined scope of work and budget would be established as part of the solicitation process. We estimate a budget of up to \$30,000 for this item, depending on the specific scope of work solicited.

- EERMC Website Refresh (2017)
 - \$50,000 line item in C-Team budget (\$30,000 directly to web developer)
 - Meeting minutes & C-Team work plan: <http://rieermc.wpengine.com/wp-content/uploads/2017/09/eeac-meeting-minutes-01-19-2017.pdf>
- MA Energy Efficiency Advisory Council (EEAC) Rebrand & Website Redesign (2014)
 - \$30,000

Statutory Authority

The following statute(s) related to the Council's purposes, powers, and/or duties are included as reference for why the Council feels this budget item is within its purview.

- In accordance with [§ 42-140.1-3](#) (b)(4), one of the Council's purposes is to *"Promote public understanding of energy issues and of ways in which energy efficiency, energy conservation, and energy resource diversification and management can be effectuated."*

Third Party Implementation Request for Information (RFI)

Description

Governor McKee's initial budget proposal included a request for the Office of Energy Resources (OER) to work in coordination with the EERMC to issue a Request for Proposals (RFP) by no later than March 31, 2023 to determine if 3rd Party Implementation of the energy efficiency programs would be in the best interest for Rhode Island energy consumers¹⁷. While the final Rhode Island State Budget¹⁸ removed this request, its inclusion in the initial draft budget indicates that there is interest in exploring 3rd Party Implementation in Rhode Island. The Council may wish to be prepared should a similar proposal be included in a future state budget and/or legislatively approved in the future.

This potential EERMC budget item has been modified to reflect the removal of the 3rd Party Implementation RFP from the State budget. The C-Team's suggested amendment would be for the Council to develop, issue, and evaluate responses to a Request for Information (RFI) rather than an RFP. This would enable the Council to collect information needed for an informed decision about whether and how the market may respond to an RFP should it be required to do so in the future. This information would be of use if the EERMC was charged with overseeing an RFP in the future; it would also be useful information to other actors in Rhode Island, to inform their position regarding whether 3rd Party Implementation has the potential to benefit Rhode Islanders and inform a future determination regarding whether to go to RFP for such services.

It is also worth noting that Rhode Island is not alone in considering alternative program implementation models. The Massachusetts Energy Efficiency and Advisory Council has discussed the potential for researching alternative program models, including third-party implementation within the past year¹⁹. Furthermore, there are several existing entities that already operate in a framework where a third-party implements state or regional energy efficiency programs such as [Efficiency Vermont](#), [Efficiency Maine](#), [Energy Trust of Oregon](#), and the [DC Sustainable Energy Utility](#).

Cost Estimate

We estimate that the cost to the EERMC for this would be \$11,100. This cost is based on an estimated 60 hours of incremental effort for the C-Team at an average rate of \$185 per hour. We estimated that it would take approximately 20 hour each for (1) conducting initial research that would help inform the development of the RFI, (2) the development the RFI itself, and (3) the review, evaluation, and synthesis of responses. These estimates are based on the presumption that, as has been the case with previously issued Council RFPs, the RFI would be authored in collaboration with OER, who would also oversee and facilitate the issuance and selection process, so the C-Team's time could focus on providing technical advice at each stage.

Statutory Authority

¹⁷ [State of Rhode Island Draft Budget for FY2023](#), See Section 39-2-1.2(q) on page 113

¹⁸ [State of Rhode Island FY 2023 Budget](#)

¹⁹ [MA EEAC July 28, 2021 Meeting Minutes](#); [MA EEAC August 18, 2021 Meeting Minutes](#); [MA EEAC September 22, 2021 Meeting Minutes](#)

The following statute(s) related to the Council’s purposes, powers, and/or duties are included as reference for why the Council feels this budget item is within its purview.

- According to [§ 42-140.1-6](#) (a), the Council has the powers *“to make any studies of conditions, activities, or problems related to the state’s energy needs, usage, and supplies to carry out its responsibilities.”*
- As noted in [§ 42-140.1-3](#) (b)(1), one of the Council’s purposes is to *“Evaluate and make recommendations, including, but not limited to, plans and programs, with regard to the optimization of energy efficiency, energy conservation, energy resource development; and the development of a plan for least-cost procurement for Rhode Island.”*

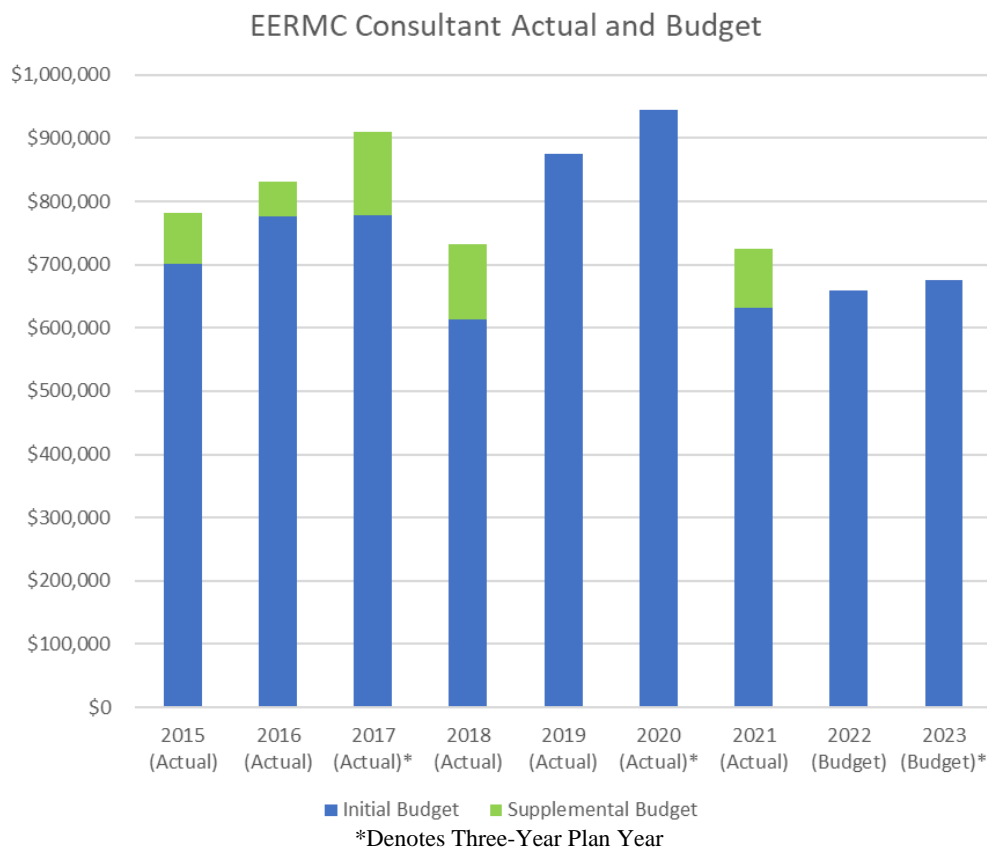
Three-Year Plan Year Incremental Cost

Description

Energy efficiency planning processes in 2023 will include development of Three-Year Plan Targets, a Three-Year Plan, and an Annual Plan. These years have historically required higher levels of funding compared to previous years in the Three-Year Plan cycle. We have included this item at the request of OER and in the spirit of transparency to ensure the Council, including its new members, are aware of this historical cadence of energy efficiency planning expenses.

Cost Estimate

For the last two 3-Year Plan years, the C-Team budget has been on average ~9% higher than the previous year (see graph below)²⁰. For reference, the draft budget for consultant services in 2023 that was included in the June meeting materials²¹ was \$15,471 (~2%) higher than the approved budget for 2022 (\$659,529). Applying the historical averaged referenced above to the 2022 budget would result in a 2023 budget of \$717,025. If the Council elected to set a budget at this level, it would need to allocate an additional \$42,025 beyond what is included in the current draft of the budget.



²⁰ Values in graph are based on the [C-Team’s budget update memo](#) provided at the January 2022 EERMC meeting.

²¹ <http://rieermc.ri.gov/wp-content/uploads/2022/06/2023-eermc-budget-proposal-draft-1.pdf>

Statutory Authority

The following statute(s) related to the Council's purposes, powers, and/or duties are included as reference for why the Council feels this budget item is within its purview.

- According to [§ 42-140.1-6](#) (b), the Council has the powers *"To adopt amend bylaws, to establish committees, to elect and/or appoint officers and agents, and to engage consultants and professional services as necessary and appropriate to fulfill its purposes."*

EXHIBIT 21



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EERMC FULL COUNCIL MEETING MINUTES

Thursday, July 28, 2022

Full Council Meeting | 3:00 - 5:00 PM

Department of Administration Conference Room 2B, Providence, RI 02908 with additional audio/video participation available through Zoom.

Members in Attendance: Peter Gill Case, Kurt Teichert, Sue AnderBois, Dave Caldwell, Interim Commissioner Chris Kearns, Brett Feldman, Tom Magliocchetti, Kate Grant, Harry Oakley

Others in Attendance: Steven Chybowski, Sam Ross, Adrian Caesar, Anika Kreckel, Marisa Desautel, Angela Li, Nelson DiBiase, Josh Kessler, Jessica Darling, Sarah Barraco, Kyle Bannon

1. Call to Order

Chairperson Oakley called the meeting to order at 3:06 p.m.

2. Administrative Updates

Mr. Chybowski provided administrative updates from the Office of Energy Resources (OER) including introducing the new interim Commissioner Chris Kearns, listing the Regional Greenhouse Gas Initiative allocation proposals, noting OER's High-efficiency Heat Pump Program proposal, noting major energy bill signings that occurred over the past month, and noting that the Council client fund has been transferred to the utility and closed out.

3. Chair Report

Chairperson Oakley provided an overview of the meeting agenda, listed materials available online that will not be discussed at today's meeting, and provided instructions for making public comments.

4. Meeting Minutes – June 16, 2022

Council Member Caldwell motioned to approve the June meeting minutes. Vice Chair Gill Case seconded. All in favor, none opposed.

5. Program Oversight (55 Minutes, 3:15 – 4:10 p.m.)

a) *Update on Public Utilities Commission Dockets (5 min, 3:15 – 3:20 p.m.)*

Mr. Chybowski notified the Council of PUC dockets 22-05-EE and 22-01-NG for the Committee's awareness and for the Council to consider motioning as interveners on docket 22-01-NG.

b) Rhode Island Energy Presentation on the First Draft of the 2023 Energy Efficiency Program Plan (25 min, 3:20 – 3:45 p.m.)

Council Member Feldman presented on Rhode Island Energy's initial draft of the 2023 energy efficiency plan. Mr. Kessler presented on commercial and industrial programming and Ms. Li presented on residential programming. Council Members shared suggestions for providing more energy efficiency information to customers. Interim Commissioner Kearns noted that the winter energy rates should be taken into consideration with the development of the 2023 Energy Efficiency Plan.

c) Council Consultant Team Perspectives on the First Draft of the 2023 Energy Efficiency Program Plan (25 min, 3:45 – 4:10 p.m.)

Mr. Ross, Mr. Caesar, and Ms. Lynch of the Consultant Team presented on their initial takeaways on the first draft of the energy efficiency plan. The Consultant Team highlighted the cost increases currently proposed for energy efficiency measures for next year.

6. Council Business (50 Minutes, 4:10 – 4:55 p.m.)

a) Vote to confirm Executive Committee Members (5 min, 4:10 – 4:15 p.m.)

Council Member Teichert motioned to approve Chair Oakley, Vice Chair Gill Case, and Council Member AnderBois to the Executive Committee. Council Member Caldwell seconded. All in favor, none opposed.

b) Discussion and Vote to Issue a Request for Proposals for Consultant Team Services (10 min, 4:15 – 4:25 p.m.)

Chairperson Oakley voiced his support for executing the current consultant services contract as he has found the current services to be satisfactory and values the consistency of maintaining the existing team. Vice Chair Gill Case noted that OER and the Consultant Team collaborated to revise the consultant services scope of work in response to the recommendations from the Public Utilities Commission hearings at the start of the year. Vice Chair Gill Case motioned to execute one of the two 24-month extensions of the existing EERMC Consultant Team contract and to direct OER to work with the Consultant Team and legal counsel to execute the extension. Council Member AnderBois seconded. All in favor, none opposed.

c) Review and Potential Vote on the Consultant Team Services Request for Proposals (10 minutes, 4:25 - 4:35 p.m.)

Chairperson Oakley skipped this item as a result of the decision made on agenda item 6.b to execute a contract extension option with the current consulting vendor.

d) Review and Vote on the 2023 Draft EERMC Budget Proposal (20 minutes, 4:35-4:55 p.m.)

Mr. Chybowski presented budget proposals for the EERMC for the 2023 calendar year and Mr. Ross provided additional details on line-item proposals. OER will seek additional guidance on accounting for initiatives that would extend across calendar years. Council Member AnderBois motioned to approve the 2023 Council budget as presented by OER, on July 28th 2022 with the following amendments: combine line items of Council Travel and EERMC Councilor Education and Advancement into one item at \$900, to eliminate the C-Team 3rd party implementation RFI analysis from the budget, and remove the dollar amount

from the gas study which will be renamed to “Strategies to Phase out Fossil Gas in Rhode Island,” and to add the 3-year plan incremental cost to the Consultant Services initial line item and respectfully direct OER to submit this budget to the utility to file with the 2023 plan filing. Vice Chair Gill Case seconded the motion. All in favor, none opposed.

7. Public Comment

Hank Webster, The Acadia Center

Mr. Webster is finding it hard to reconcile the Company’s stance that inflation is making energy efficiency measures more expensive, yet the Company is expecting to underspend on programming in 2022. He was hoping to see a more ambitious plan from the Company. At this point, he believes that the State should not be incentivizing new gas appliances and that there could be more investment for supporting zero energy buildings. He would like to see the new Company be intentional with using ratepayer funds to decarbonize and save energy.

8. Adjournment

Council Member Teichert motioned to adjourn the meeting. Council Member AnderBois seconded, and the meeting was adjourned at 5:20 p.m.

EXHIBIT 22

EERMC 2023 Budget Proposal		
	Budget	Notes
	CY 2023	
Consultant Services	\$717,025.00	
Legal Counsel	\$75,000.00	
Annual Report Printing & Translation	\$3,000.00	
Council Travel and EERMC Councilor Education and Advancement	\$900.00	
Public Education	\$152,500.00	
2023 Farm Energy Fellow	\$7,500.00	
2022 Public Forum & Lecture Series	\$22,500.00	This line item will be \$22,500 minus actual expenses paid in 2022
2023 Public Forum & Lecture Series	\$22,500.00	
2022 K-12 Energy Education	\$40,000.00	This line item will be \$40k minus actual expenses paid in 2022
2023 K-12 Energy Education	\$25,000.00	
EE and Climate Awareness Campaign	\$35,000.00	
2023 Energy Expo	\$40,000.00	
Council Branding and Comms Development	\$30,000.00	This line item will be \$30k minus actual expenses paid in 2022
EERMC Website	\$350.00	
Potential Study Data Refresh	\$45,000.00	This line item will be \$45k minus expenses paid in 2022
Market Based Solutions Study	\$70,000.00	
Strategies to Phase out Fossil Gas in Rhode Island Study	\$-	Pending developments of PUC Docket 22-01-NG, and if a Council-commissioned study is warranted
GRAND TOTAL	\$1,133,775.00	

EXHIBIT 23

Description	2022 Budget	2022 YTD Spend	Remaining Forecasted 2022 Spend	Forecasted 2022 Year-End Spend	Variance (\$)	Variance (%)	2023 Proposed Budget
Consultant Services	\$659,529.00	\$480,037.00	\$160,012.33	\$640,049.33	-\$19,479.67	-3%	\$717,025.00
Legal Counsel	\$75,000.00	\$44,585.24	\$25,000.00	\$69,585.24	-\$5,514.76	-7%	\$75,000.00
Annual Report Printing & Distribution	\$3,000.00	\$1,695.00	\$0.00	\$1,695.00	-\$1,305.00	-44%	\$3,000.00
Council Travel & EERMC Councilor Education and Advancement	\$900.00	\$229.30	\$670.70	\$900.00	\$0.00	0%	\$900.00
Public Education	\$100,000.00	\$0.00	\$47,500.00	\$47,500.00	-\$52,500.00	-53%	\$152,500.00
Farm Energy Fellow	\$7,500.00	\$0.00	\$7,500.00	\$7,500.00	\$0.00	0%	\$7,500.00
Public Forum & Lecture Series (2022)	\$25,024.14	\$0.00	\$0.00	\$0.00	-\$25,024.14	-100%	\$22,500.00
Public Forum & Lecture Series (2023)							\$22,500.00
K-12 Energy Education (2022)	\$40,000.00	\$0.00	\$40,000.00	\$40,000.00	\$0.00	0%	\$40,000.00
K-12 Energy Education (2023)							\$25,000.00
EE and Climate Awareness Campaign*							\$35,000.00
Unallocated	\$27,475.86	\$0.00	\$0.00	\$0.00	-\$27,475.86	-100%	\$0.00
EERMC Website	\$350.00	\$0.00	\$350.00	\$350.00	\$0.00	0%	\$350.00
Potential Study Data Refresh	\$45,000.00	\$0.00	\$0.00	\$0.00	-\$45,000.00	-100%	\$45,000.00
Energy Expo							\$40,000.00
Market Based Solutions Study*							\$70,000.00
Council Branding and Communications Development*							\$30,000.00
Unallocated	\$141,984.00	\$0.00	\$0.00	\$0.00	-\$141,984.00	-100%	\$0.00
Total	\$1,025,763.00	\$526,546.54	\$233,533.03	\$760,079.57	-\$265,683.43	-26%	\$1,133,775.00

* Represents budget items that are new proposals for 2023