

ENERGY EFFICIENCY AND RESOURCE MANGEMENT COUNCIL

Minutes-April 8, 2010

Executive Dining Room, Ground Floor, DOA

Call to Order: Chairman Ryan called the meeting to order at 3:45 PM

Members Present: Paul Ryan, Sam Krasnow, Joe Newsome, Dan Justynski and Ken Payne

Staff Present: Dan Carrigg and Charles Hawkins

Consultants: Scudder Parker, Mike Guerard and Liz Hicks

Others Present: Abigail Anthony, Rachel Henschel, Tom Teehan, Don Young, Jeremy Newberger, Steve Harasim and Josh Croft.

Acceptance of Minutes

Joe Newsome made a motion to approve the March 1, 2010 minutes. It was seconded by Dan J. and passed unanimously. Joe wanted to note that there were five things that were cited in recent minutes that have not been done: Getting the website up and running; inviting the Governor's Energy Advisor Larry Kunkel to speak at a meeting; writing a letter thanking Ron Gerwatowski and Tim Stout for their

work on the council; writing a thank you letter to Janet Keller and getting copies of the recent budget amendment inserted into the minutes. He felt that little things cited in the minutes need to be addressed. Sam K. said that he would e-mail the budget to members on Friday.

Executive Director and ARRA Report

- Letters to ARRA Non-Utility Scale Renewables grant recipients have gone out.
- The Appliance Rebate program was successful with all \$1M being reserved in the first 20 hours.
- RI was acknowledged as one of the leaders nationwide in the EECBG Program.
- In ARRA Weatherization; RI exceeded the DOE goal of 128 dwellings a month by doing 149 last month.
- OER is looking into the possibility of using unobligated pockets of ARRA money to replace HVAC units destroyed by the floods. This is allowable as long as the replacement is EE. It is also allowable for municipalities to use EECBG base grant funding for HVAC units destroyed by flooding.

Paul Ryan asked if high performing states would get extra money. Ken P. said it was too early to tell and that the DOE was warning low performing states to start obligating funds.

At the Assembly: Ken P. predicts action on long term contracting; an amendment on the RES; and possible climate change legislation. A green jobs initiative is also expected. Paul R. mentioned that he has a meeting scheduled with Senate President Paiva-Weed.

Dan C. announced that the EERMC website can be accessed by going to www.riermc.ri.gov and that he could add a link to it from the OER website. Paul R. wanted the website address inserted into the Annual Report. It was agreed to get the website up and functional to allow for posting of the Annual Report and to promote the educational seminar. Dan C. has to get the password to achieve this.

Annual Report

Paul R. liked the report, complimented the work put into it, and felt it was what he had in mind. Dan J. questioned the omission of decoupling in the report, in lieu of the fact that the Council invested funds and much meeting time on this issue. Sam K. agreed and felt that it could go into the energy policy segment of the report. Council intervention into PUC dockets should also be included in the report. Jeremy N. opined that since the council took a position on decoupling it should be in the policy recommendations.

Sam K. would support both a quote from Dan J. and having the “true-up” piece of decoupling included in the policy recommendations. He asked if a motion was necessary. Paul R. said a motion was necessary because it was a policy issue. A motion

was made by Dan J. to include the Council's position on the "true-up" piece of decoupling in the policy recommendation of the Annual Report and to add a quote in the sidebars from Dan J. to reflect this. This motion was not voted on at this time

Scudder P. wanted to add a sentence that states that the Council was active in PUC dockets. Ken P. thought it was a good idea to send Assembly leaders a separate transmittal that includes a summary of all 2009 Council meetings. Joe N. asked why the policy recommendations were at the end of the report. Ken P. said that the statutory outline lists policy recommendations last. Sam K. suggested adding a table of contents.

Sam K. suggested wrapping all the changes into one motion. He asked if anyone else has any further changes. Jeremy N. wanted clarification of EE benefits in the Economic Engine segment. He felt that some stats in the Annual Report were not consistent with the Opportunity Report. He cited the \$1.1 billion in EE improvements. He also cited a study NGrid had commissioned five years ago that differs significantly from the numbers in the Economic Engine segment of the report.

Sam K. offered the following motion: That the Annual Report be approved by the Council with the following edits to be made in the next few days:

- Include the EERMC's position on the "true-up" piece of decoupling.**

- A quote from Dan J. in a sidebar supporting decoupling.
- Mention the dockets the council intervened on with the PUC in 2009.
- Check to see if the report has to go to the Governor and Assembly leaders.
- Do a separate transmittal to Assembly leaders with a summary of 2009 council meetings.
- Look at technical corrections cited by NGrid especially in the Economic Engine portion of the report to correct discrepancies. He also wanted to include a sentence citing VEIC's work with the Council.

Sam K. made the motion, Paul R. seconded it and it passed unanimously.

It was also agreed to do 400 copies of the report in full color, double sided. Paul R. made a motion to authorize \$3,000 for printing and to have Dan C. and Charlie H. chose the lowest responsive bidder. Paul R. made the motion, Dan J. seconded it and it passed unanimously.

Educational Seminar Sub-Committee Report

The OER has reserved all four quadrants of the Bobby Hackett Auditorium for the May 22nd Energy Education Seminar.

Joe N. didn't feel the breakouts listed above were exciting enough. Paul R. agreed and would like more interactive breakout sessions. Paul thought "Community Energy Planning" would be a worthwhile

breakout for RI planners but thought “RI Energy Laws and Programs” to be too dry. Scudder P. suggested using the ARRA Renewable Energy Grants to stimulate breakout. Paul R. suggested making Renewables Breakout No. 4 replacing “RI Energy Laws & Planning”. He said that Renewables and Community Energy Planning would be two breakouts.

Joe N. suggested replacing “Low Income Energy Issues” with a breakout on Residential EE Opportunities. Paul R. suggested an interactive session that shows how EE fits together in a household. What are the most effective EE measures? He felt you would need three presenters on the residential side. It was suggested that Aspen Air Gels, the company that presented the Chad Brown Case study could be involved along with two other presenters. Dan J. wanted to make sure that C&I EE did not get overlooked; especially for small businesses. Paul R. suggested moving Breakout No 1, “An Overview of RI Energy Infrastructure” into the plenary session as a twenty minute presentation because it is so important. Then make C& I the fourth breakout. Paul R. hopes this will diversify the attendance with both commercial and residential folks represented. The overview would kick off the session followed by a keynote speaker and then on to interactive breakouts.

A Conference call in the next week was suggested. Sam K. felt that OER should consult with John F. and Joe N. to try to line up a keynote within the next week.

It was agreed that there would be a moderator and three speakers for each breakout session. Joe N. emphasized the tight timetable. Paul brought up marketing the event. Partnering with other organizations like PP& L, URI and NEED was brought up. Paul R. was concerned that including too many groups could dilute the event.

Update on KEMA Phase 2 Opportunity Report

Liz Hick of KEMA gave an update on Phase 2 of the Opportunity Report. Amgen is the last C&I site visit that needs to be done. Surveys are complete on residential potential and a report has been sent to NGrid. They have also added low income to the residential study. The first run of C&I data has been entered and the first run at commercial analysis is under way. The next steps are to get feedback on a final measures list for C&I. to continue to analyze data from on-site visits; and to continue to populate C&I measure files with survey data. Paul R. asked if these efforts will coalesce quickly. Liz H. said yes.

VEIC Workplan Report

Scudder P. passed an outline of the meetings that VEIC had participated in and the reports they were working on. They were working with NGrid on best practices for low-income EE. On the C&I side VEIC was doing research on retrofitting. VEIC plans to get a

copy of their Smart Grid report to members.

Paul R. asked where the state was in issuing an RFP for a consultant. He felt it would take a few months to review and approve a choice and it would be good to have a timetable. At present, VEIC's contract is from quarter to quarter.

Aspen Air Gels Chad Brown Energy Efficiency Case Study

Because Dan J. needed to leave; Sam K. made a motion to move this agenda item

ahead of the RGGI 40%. It was seconded and passed unanimously.

Sam K. introduced Aspen Air Gels CEO Don Young. Young's company is Massachusetts based and in February 2008 it built a \$30 million manufacturing facility in East Providence with the assistance of Senator Reed. It plans to announce it will double the size of that facility soon. The facility will employ between 75-100. They are currently working on low income EE projects in N.Y., Mass., and RI. With their product they are projecting a payback of five years.

Don then introduced Steve Harasim who presented a power point that describes the technology employed in the Chad Brown Housing Project. Some of the benefits include: low installed cost; quick ROI/payback period and minimal disruptions to occupants. It is well suited for older under-insulated buildings, especially masonry.

Paul R. was impressed with the presentation, suggested Aspen Air Gels be part of the residential breakout during the May 22nd Educational Seminar, and said that the council should hear more about companies like this that are creating green jobs and are on the cutting edge of EE technology.

40% RGGI

Dan J. had to depart so there was no longer a quorum present.

NGrid submitted a plan with a Phase I and Phase II with Phase I including the first five auctions. The next steps are for the OER to review the plan with consultation with the EERMC and DEM and then approve, modify or reject the plan. The goal was to move forward as quickly as possible so NGrid can reach their 2010 EE goals.

Sam K. felt the council's input was considered in the new plan, especially concerning innovative financing and reaching hard to reach customers. Paul R. wondered if other organization were after these funds. He wanted to know where the money is and hope it is not in the General Fund.

Joe N. expressed disappointment that other groups who weighed in during last April's development of the plan were not included when NGrid drafted this 40% plan. He felt the whole point of having 40% of the funding dedicated to innovative projects was not to turn all the

RGGI funds over to the utility. What do we say to these groups who were not included in the drafting of this plan? He did not like the fact that they were excluded.

Jeremy N. responded by saying that NGrid was responsive to the 12 categories in Section 5 of last April's plan. He felt the plan was responsive to these rules. Rachel H. said the design was a pre-stimulus framework. Paul R. felt that the Annual Report will explain to the Assembly what RGGI is. Scudder agreed with Joe N.'s sense of the history of the issue.

Paul R. made a motion to adjourn the meeting, it was seconded by Sam K. and passed unanimously. The meeting was adjourned at 5:43.

Respectfully submitted

Charles Hawkins

Secretary Pro-tempore