



Energy Efficiency Board Monthly Meeting

Wednesday, February 13, 2019, 1:00 – 3:30 PM
10 Franklin Square, New Britain, CT (Hearing Room 1)

MINUTES¹

In Attendance

Voting Board Members: Bill Dornbos (Chair), Amanda Fargo-Johnson (Vice-Chair), John Wright, Jack Traver, Neil Beup, Taren O'Connor, Diane Duva, Eric Brown (phone), Bruce McDermott (phone)

Utility Board Members: Ron Araujo, Chris Plecs, Jane Lano, Will Riddle

Board Members Not in Attendance: Adrienne Houel, Justin Connell

Board Consultants: Jeff Schlegel, Glenn Reed, Craig Diamond, George Lawrence (phone)

Others: Julia Dumaine, Donna Wells, Linda Foreman, Cal Vinal, Steve Bruno, Michael Cassella, Mark Thompsen, Leticia Colon, Erin Bennett, Joe DiModica

Process

Minutes

The Board considered whether to approve the minutes from the January 16, 2019 Board meeting. Mr. Beup moved to approve, Mr. Traver 2nd. All present voted to approve.

January 16, 2019 meeting minutes approved.

Public Comments

Cal Vinal, Capital For Change – Mr. Vinal said he was informing the EEB that Capital for Change (C4C) was requesting additional funding from the CEEF for the 0% and 2.99% HES loans, because the initial capital funding had been depleted more than anticipated due to the interest rates being lower than anticipated. He said that the Smart-E interest rates were capped, which was a significant part of the interest rates being lower than anticipated. He said that the program had been successful, but Webster Bank did not want to provide additional capital. He said that C4C needed additional capital to meet the 1.1 ratio of cash to debt. He said C4C would look to restructure their financing in the future. He said their loan balance is \$22 million, and it was previously \$13 million. He said the CT Green Bank did not have capital available to provide to C4C. He said they were requesting \$3 million for a 6-9 month timeframe, and they would need the money within the next few months. Mr. Schlegel said that C4C's funding request would be on the agenda for the March Board meeting, and that there would be a recommendation from Eversource and the Board consultants.

¹ Meeting materials available in Box.com: <https://app.box.com/s/w0nfd0cvdyr6dvlv1naafd4tscbqgns4>

Attorney General EEB designee

Mr. Dornbos introduced John Wright, who is the new representative to the Board from the Office of The Attorney General.

Programs and Planning

2018 year-end financial and program results

Mr. Riddle provided a presentation for the UIL companies. There were no questions regarding Mr. Riddle's presentation. Mr. Bruno provided a presentation for Eversource. There were no questions regarding Mr. Bruno's presentation.

CT legislative update

Mr. Traver said he had attended a meeting at which Governor Lamont was in attendance. He said there was a significant amount of discussion at the meeting about the importance of not diverting C&LM funds. Mr. Traver said that some state representatives went on record promising not to support the diversion of C&LM funds.

- Value of Clean Energy fact sheet. Mr. Bruno discussed the various elements of the fact sheet, copies of which were provided to the Board. Mr. Traver noted that six of the bullets were quantitative, and one was not. He suggested that it would be more consistent to make the seventh bullet quantitative too. He also asked if energy savings should be lifetime rather than annual.

Review of state policies and plans that impact energy efficiency and the C&LM Plan

Ms. Duva and Mr. Schlegel provided a presentation. Mr. Beup said his main question from the previous Board meeting was about how the scope of the C&LM Plan had evolved, and whether the scope of the Plan had "gone afield." Mr. Beup clarified that his question was whether the Board should further focus its scope. He noted that his question was prompted in part by the question at the last Board meeting about fuel-switching, and whether or not to support/pursue non-energy benefits. Mr. Traver agreed that the Board might want to better understand how the scope of the C&LM Plan had evolved. Mr. Schlegel said the Board could potentially be clearer on how various proposals fit within the priorities of the Board and C&LM Plan. Mr. Beup provided the example of when the Board voted to make vendors a priority, even though there was nothing in statute to that effect. Ms. O'Connor said she agreed with Mr. Beup's comments. She also said that the 2019-2021 Plan was too driven by the Comprehensive Energy Strategy (CES). Ms. O'Connor also noted that as important as jobs are, the purpose of the C&LM Plan is not to provide jobs. Mr. Brown asked if the Board was going to hold a retreat in 2019, and if so, this might be a good topic for a retreat. He said one example was how to measure cost-effectiveness; he said that the C&LM Plan was being increasingly driven by DEEP's priorities, and less so by statute. Mr. Dornbos said that the Board would be doing a retreat in 2019. Ms. Duva clarified that the CES was a reflection of the input and priorities of multiple stakeholders in the state, and was not only about DEEP's priorities.

Discussion on draft EEB comments on C&LM cost-effectiveness tests. Mr. Schlegel provided a presentation. Mr. Traver asked for clarification on whether cost-effectiveness

testing was applicable only to individual programs, or to the C&LM Plan as a whole. Mr. Schlegel said that all programs must pass cost-effectiveness tests. Mr. Schlegel discussed six draft Board recommendations. The Board generally agreed on recommendations 1-3. He discussed avoided Global Warming Solutions Act (GWSA) cost of compliance as a rateholder impact. There was discussion about the avoided GWSA cost of compliance. It was noted that including the avoided GWSA cost of compliance would have an impact on the ability of the Companies to incentivize certain programs. Mr. Schlegel discussed two different potential methods for quantifying the avoided GWSA cost of compliance. Mr. Brown asked if the costs associated with these benefits are transparent to policy makers and ratepayers. Mr. Schlegel said they were, and noted that they were in the AESC avoided cost study. Mr. Brown said that ratepayers did not know what the costs were, and for what purposes. Mr. Dornbos suggested that this discussion should continue at the March Board meeting, and suggested that the consultants should develop a concrete proposal for the March meeting. He suggested that Board members should send comments or questions to Mr. Schlegel.

Other

Mr. Dornbos said the Board might include Residential financing as a topic for the March meeting, including a discussion of Inclusive Prosperity Capital.

Closing Public Comments

None

The meeting adjourned at 3:35 pm.