

# ENERGY EFFICIENCY AND SUSTAINABLE ENERGY BOARD

RSA 125-O:5-a

21 South Fruit Street, Suite 10

Concord, N.H. 03301-2429

## Minutes for February 21, 2020

### Attendees:

Board Members: Donald Perrin (DAS); Madeleine Mineau (Clean Energy NH); D. Maurice Kreis (OCA); Becky Ohler (DES); Cindy Carroll (Unitil); Carol Woods (NHEC); Karen Cramton (PUC); Kate Peters (Eversource); Matt Mailloux (OSI); Steve Towers (for Ray Burke NH Legal Assistance); Eric Stanley (Liberty Utilities); Scott Maslansky (CDFA); Bruce Clendenning (The Nature Conservancy); Marc Prindiville (State Fire Marshal's Office); Tonia Chase (Business Industry Association); Representative Bob Backus (NH House); Representative Doug Thomas (NH House).

Others: Matt Siska (GDS Associates); Christa Shute (OCA); Chris Skoglund (DES); Jessica Chiavara (Eversource); Mark Lemenager (Eversource); Brianna Brand (Clean Energy NH); Megan Ulin (ReVision Energy).

### 1. Welcome and Introductions

- Madeline Mineau called the meeting to order at 9:01 a.m.

### 2. Approval of the January 17, 2020 EESE Board Meeting Minutes

- Don Kreis moved. Tonia Chase seconded.
- Approval of the January 17, 2020 minutes. All in favor.

### 3. 2020 Legislation Update

- Representative Backus provided an update on House energy bills.
  - SB159 (2019), net metering bill, was vetoed by the Governor last week
  - HB1218 (2020)- relative to net energy metering (NEM) limits for customer generators and the purchase of output of limited electrical energy producers—passed the House and now moves on to the Senate. The bill includes:
    - Staggered increase on NEM cap
    - HB1402 – NEM for municipalities – good bill and folded into HB1218

- HB1262 – LEEPA – expand number of customers – good bill and folded into HB1218
- Bill to repeal the EESE Board update
  - ST&E voted to inexpedient to legislate (ITL)
- All remaining House bills assigned to ST&E will be voted on at an executive session on Tuesday, March 3<sup>rd</sup>. If work sessions are needed for these bills, then the work sessions will be held on Monday, March 2<sup>nd</sup>.
- Study commission on developing a state department of energy update:
  - Another work session will scheduled soon. Representative Backus would like to hold 1 or 2 more informational sessions to hear from other states that have a department of energy (e.g., Maine).
  - After the work sessions, the commission will need to decide if New Hampshire should have a state department of energy. And, if so, what should it look like, how will it work, etc.
  - This legislative session has shown that New Hampshire needs a state department of energy. This department should be considering topics such as EERS, statewide energy data platform, etc.

#### 4. EERS Committee Update – Don Kreis

- Don provided an update on the EERS planning process.
- VEIC is assisting with the 20201-2023 EERS effort and working with the program administrator to understand the current state of the various energy efficiency programs
- EERS Committee is meetings 2 times per month – 1<sup>st</sup> and 3<sup>rd</sup> Monday afternoons (next meetings: 3/2/20 and 3/16/20)
- Draft version of 3-year plan is due from the utilities on April 1<sup>st</sup>
- Obtain stakeholder feedback so when the formal filing is delivered to the PUC (by July 1<sup>st</sup>), it will be a “conscientious” plan (i.e., document)
- Biggest questions/topics considered to date:
  - What are the savings goals the program administrators should achieve in the next triennium? – reductions in actual sales as a percentage of their sales from a preselected benchmark year (current 2014; change to 2018)
    - EERS – all cost effective energy efficiency, but doesn’t set targets.
    - 2021 Targets:
      - 1.3% of electric sales (2021 goal)
      - 0.74% of natural gas sales (2021 goal)
    - Balance increased savings with cost to achieve these savings
      - 2023 1.7% electric target – would require increased spending of 35% per year to achieve goal
      - 2023 0.77% natural gas target – would require increased spending of 11% per year to achieve goal

- Savings potential for lighting has been exhausted; therefore, programs need to look for other forms of savings. Lighting was the low hanging fruit. Other measures are more costly.
- Extent to which we should include active demand response programs
- Work force crisis – constraining factor is experience work force needed to do this work
- Fuel neutral saving – energy efficiency saves “fuel”; not just electricity. Currently there is a limit of amount of savings that can be counted by the utilities for non-electric savings
- Disaggregate SBC? Allow each utility to charge a unique SBC; breakdown further by sector?
- Should utilities continue to act as program administrators?
- Should costs be amortized to better align the costs and benefits?
- Scott Maslansky – CDFA recently established an energy policy to make sure all projects funded meet a certain energy efficiency threshold (investing \$11 million annually in projects for non-profits)
  - Require an energy assessment – want to offer consistent technical assistance and consistent incentives. Incentives need to cover assessments and fuel neutral programs.
  - Encourage applicants to work with utilities and get agreement that funds will provide sufficient incentives for fuel neutral projects.
- Utilities – EERS savings requirements require electric savings. Only municipal program (RGGI-funded) allows for fuel neutral savings.
  - Programs could switch goal from an electric goal to an MMBtu goal
  - Benefit cost working group – commission order indicated the EERS program should not switch to an MMBtu goal at this time. Maybe a pilot program would be allowed.
- Tonia - BIA – manufacturers have concerns about increased prices of electricity as EERS goals increase
  - Consider giving businesses captive use of these funds
  - Allow businesses to use funds for engineering design and evaluation to help businesses understand how much energy is being wasted
  - Manufacturers are generally not supportive of transferred costs
  - Work force – realize there is a shortage of contractors but New Hampshire has a shortage of all types of employees. There is an overall shortage – shortage not limited to energy efficiency work.

#### 5. Work Group, Board and Program Updates:

- EM&V – Christa Shute
  - The preliminary report regarding the Home Energy Assistance program has been received and is under review.

- The excel workbook for calculating rate and bill impact has been essentially completed for electric and is underway for gas.
- A cross state demand response evaluation was completed and presented to the group. This included:
  - 1) look at performance metrics,
  - 2) review of different methods for predicting and measuring baselines and impact,
  - 3) look at the impact of battery storage pilots in Massachusetts, and
  - 4) discussion regarding the overlap between utility demand response events and the ISO-NE market, specifically whether
    - a) utility DR event participation erodes the ISO-NE baseline calculation and day-of adjustment and
    - b) the impact on available reserves and meeting NERC regulations.
- Non-energy Impact Study is progressing with initial report review conducted and a sensitivity analysis memo due in today.
- The baseline/potential study appears relatively on track.
- Strategic Evaluation Planning for the next round of studies is under way.
- PUC – Karen Cramton
  - 30-day extension requested and granted for 900 administrative rules (i.e., net metering rules). Final proposed rules due March 24, 2020.
  - OSI & PUC working on revised proposal for use of the Clean Energy Fund based on stakeholder session and written comments.
  - The Low/Moderate Income (LMI) and the Non-residential (C&I) competitive grant program proposals under review.
  - The C&I Solar PV public comment hearing on proposed program modifications is held and written comments received. Next step Commission order.
  - Locational Value of Distributed Generation Study (LVDG) – the second stakeholder session held to review step 1 analysis. Locations for further study being determined. A stakeholder meeting to be scheduled for Navigant to provide an update.
  - A public hearing was held and written comments received on whether the Commission should adjust the 2019 Class III compliance year requirement. Awaiting Commission order.
  - Comments received on investigation into rate design standards of EV charging stations and EV Time of day rates. Technical session scheduled for February 28, 2020.
  - Community Power legislation – potential PUC rulemaking stakeholder session scheduled March 4, 2020.
  - Statewide energy database technical session held and commission taking comments on the procedural schedule.

- OSI –
  - VW Settlement Update
  - DES & OSI issued an RFP for EV fast charging – 3 proposals were received. None of them met the minimum requirements of the RFP and all were therefore rejected. RFI to be released to get more information before re-releasing the RFP.
  
- DES –
  - SB517 – next EV commission meeting rescheduled for Friday, March 6<sup>th</sup>
  
- State Fire Marshal –
  - Looking to rewrite the Department of Safety 900 rules for workforce licensure requirements.
  
- Bruce Clendenning, The Nature Conservancy - Energy Week is scheduled for the end of March.
  - The breakfast will be on Wednesday March 25<sup>th</sup>.
  - NHEnergyFuture.org – full list of events available. Sign up!

6. Proposed Presentation Topics for 2020:

- Update from ISO-NE (March), state fire marshal's update on safety and fire safety standards for renewable energy & storage, Offshore Wind update (OSI & Mike Behrmann), EERS plan review (board feedback due in June), EV charging rates (after PUC investigative docket is complete), affordable housing and energy (VEIC & CDFA), building commissioning (GDS Associates - process, benefits and why it's important)

7. Meeting adjourned at 10:30 a.m.

\*\*Thank you to Clean Energy NH for providing the refreshments.